Daily Report

East Europe

FBIS-EEU-95-193
Thursday
5 October 1995

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report
East Europe

FBIS-EEU-95-193 *5 October 1995*

CONTENTS

NOTICE: This volume contains a representative selection of material previously disseminated in softcopy format.

INTERNATIONAL AFFAIRS

Court To Hear Testimony on Serb War Crimes 9 Oct *[AFP]* 1
New UN Human Rights Official To Visit FRY *[TANJUG]* 1

ALBANIA

PS Head Said Involved in U.S. Visa Trafficking *[ALBANIA 28 Sep]* 2
Unauthorized Use of Berisha's Phone Line Reported *[KOHA JONE 3 Oct]* 2
PSD Takes Genocide Law to Constitutional Court *[GAZETA SHQIPTARE 29 Sep]* 3

BULGARIA

'Compromise' Reached on Restarting Kozloduy Unit *[Sofia Radio]* 4
IAEA Reports on Meeting *[IAEA Press Release]* 4

CZECH REPUBLIC

Meeting of Arms Manufacturers, NATO Advisers *[HOSPODARSKE NOVINY 26 Sep]* 6
Holan: Outstanding Opportunities *[Prague Radio]* 6
Competition Ministry Cancels Large Army Contract *[MLADA FRONTA DNES 25 Sep]* 6
Kocarnik, CNB Head Discuss Foreign Currency Law *[NARODNA OBRODA 27 Sep]* 7
Views Differ on Abolition of Slovak Car Duty *[HOSPODARSKE NOVINY 15 Sep]* 7
Impact of Amendments to New Tax Laws Analyzed *[PRAGUE POST 15 Aug]* 8
Draft Laws To Redefine Nonprofit Organizations *[PRAGUE POST 8 Aug]* 9
Poll Shows Dlouhy Still Most Popular Politician *[LIDOVE NOVINY 20 Sep]* 9

SLOVAKIA

Ministry Welcomes Approval of Law by U.S. Senate *[SME 28 Sep]* 11
Deadline for CFE Armament Destruction To Be Met *[Bratislava Radio]* 11
Economic Cooperation Agreement Signed With Iran *[Bratislava Radio]* 11
President: Prepared To Serve My Full Term *[Vienna Radio]* 11
Daily: Kidnapping Investigators Serve President *[SLOVENSKA REPUBLIKA 27 Sep]* 12
Investigator Rejects Charge *[SME 28 Sep]* 13
Meciar on Need To Stimulate Tourism, Regions *[HOSPODARSKE NOVINY 22 Sep]* 13
Provisions of New Foreign Exchange Law Detailed *[SLOVENSKA REPUBLIKA 2 Oct]* 14
Russia Agrees To Deliver 8 MiG-29's *[PRAVDA 29 Sep]* 15
Ministry Corrects Report *[PRAVDA 30 Sep]* 15
Army Regiments Reorganized Into Brigades 1 Oct *[PRAVDA 2 Oct]* 15

HUNGARY

Horn Urges More NATO Involvement in Europe *[Munich SUEDDEUTSCHE ZEITUNG 4 Oct]* 16
FRG Loan 'a Vote of Confidence' for Horn *[NEPSZABADSAG 4 Oct]* 18
Horn Comments on Coalition, Economic Issues *[MAGYAR HIRLAP 30 Sep]* 18
Progress Expected on Minority Issue in Romania *[Budapest Radio]* 22
SZDSZ Head Assesses End of Coalition Dispute *[NEPSZAVA 30 Sep]* 22

Army To Issue Bids for Surveillance Radar *[MAGYAR HIRLAP 3 Oct]* 24

BOSNIA-HERZEGOVINA

Holbrooke To Take 'Serious' Proposal to Belgrade *[Zagreb Radio]* 25
President Seeks U.S. Support To Resist Violence *[Sarajevo Radio]* 25
Silajdzic Views Future Elections, Direct Voting *[Sarajevo Radio]* 26
Silajdzic Views Role of Italy, Reconstruction *[Milan CORRIERE DELLA SERA 3 Oct]* 26
SDP Fears NATO Abandoning Gorazde to Serbs *[Sarajevo Radio]* 27
Russian Mediator: Serbs Ready for Cease-Fire *[AFP]* 28
Koljevic Claims U.S. 'Does Not Really Care' *[Editorial Report]* 28
Serb Official Condemns 'Muslim Offensive' *[Banja Luka Radio]* 29
Karadzic Comments on Role of Police, Borders *[Banja Luka Radio]* 29
Commentary: Peace Depends on Defeat of JNA *[OSLOBODJENJE 26 Sep]* 30
Spokesman Assesses 'Changed Military Situation' *[Budapest MAGYAR HIRLAP 3 Oct]* 31
Generals Delic, Dudakovic Meet in Bosanska Krupa *[Sarajevo Radio]* 32
Army, Croats Deny Reports Dudakovic Injured *[AFP]* 32
ICRC Assesses Situation in Banja Luka *[TANJUG]* 33
Serbs Charge Bosniak Aid Workers With 'Treason' *[SLOBODNA DALMACIJA 5 Oct]* 33

CROATIA

Granic Views 'Croat-Bosniak Offensive,' Peace *[OSLOBODJENJE 28 Sep-5 Oct]* 34
Opposition Parties View Transfers to HDZ *[HRVATSKI OBZOR 4 Sep]* 36
Transfer to HDZ, Opposition Losses Discussed *[HRVATSKI OBZOR 4 Sep]* 39
Mass Graves of Krajina Serbs Discovered in Gracac *[TANJUG]* 41
UN Criticizes Killings, Human Rights Abuses *[AFP]* 41
Akashi Calls For Investigation Into Massacre *[AFP]* 42
RSK Official Appeals to UN Over Army Crimes *[SNRA]* 42
EU Conditions for Reconstruction Aid Viewed *[VJESNIK 4 Oct]* 43
Article Views Personnel Changes in Army *[GLOBUS 29 Sep]* 44

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Cabinet States Andov To Fulfill Gligorov's Duty *[Skopje Radio]* 47
Andov: Attack Will Not Change 'Peaceful Policy' *[NOVA MAKEDONIJA 4 Oct]* 47
Pamphlets Distributed After Gligorov Attack *[NOVA MAKEDONIJA 4 Oct]* 47
Fears of 'Ethnic Unrest' Arise After Bombing *[AFP]* 48
Expert Says Gligorov Attacked by 'Professionals' *[VECER 4 Oct]* 48
VMRO-DPMNE Allegedly Behind Attack *[SLOBODNA DALMACIJA 5 Oct]* 49
Daily Considers Who Might 'Benefit' by Attack *[Rome LA REPUBBLICA 5 Oct]* 49
Gligorov's Condition 'Better Than Expected' *[Belgrade Radio]* 50
Ministry Issues Statement on Athens Talks *[Skopje Radio]* 50
Assembly Endorses Changes to Republic Flag *[SRNA]* 50
Country Said Rejecting Balkan Federation *[REPUBLIKA 7 Sep]* 50

POLAND

Commission Views NATO Expansion Document *[GAZETA WYBORCZA 4 Oct]* 52
Walesa 'Putting the Brakes on' Pluralism *[Warsaw Radio]* 52
Oleksy Previews Economic Program for Katowice *[Warsaw Radio]* 53
Council Criticizes Ministry's Privatization Plan *[RZECZPOSPOLITA 29 Sep]* 53
New Capital Privatization Method To Be Launched *[GAZETA WYBORCZA 2 Oct]* 54
Phone Firm Investigated for Revealing Data *[Warsaw TV]* 55

ROMANIA

Iliescu Describes U.S. Talks as 'Open, Friendly' *[DIMINEATA 29 Sep]* 56

'New Page' Opened *[Bucharest Radio]* 56
Impact of U.S. Visit on Domestic Life Viewed *[EVENIMENTUL ZILEI 30 Sep]* 57
Daily Fears Iliescu's Visit for Electoral Gain *[ADEVARUL 29 Sep]* 59

SLOVENIA

Ambassador Interested in Compromise With Croatia *[Ljubljana Radio]* 60
Budget Surplus for 1996 Reportedly Planned *[DELO 30 Sep]* 60

YUGOSLAVIA

Federal

Milutinovic on Peace Talks, Attack on Gligorov *[TANJUG]* 61
Outlines Peace Expectations *[Belgrade Radio]* 61
Discusses Attack on Gligorov *[Belgrade Radio]* 62
Government Condemns Attack on President Gligorov *[TANJUG]* 62
Assembly Endorses Government's Peace Policy *[Belgrade TV]* 63
Duma Visitor on Russian Vote for Sanctions *[TANJUG]* 64
Belgrade Begins Underwater Coal Exploitation *[TANJUG]* 65

Serbia

No Cease-Fire Agreement in Talks Reached *[Belgrade Radio]* 65
Russia's Ivanov Briefs Journalists on Talks *[Belgrade Radio]* 65
Sandzak LBO Condemns Pro-Serb Bosniaks *[Sarajevo Radio]* 65

Montenegro

Prevlaka Issue To Be Solved by Agreement *[Belgrade Radio]* 66
Belgrade Accused of Anti-Montenegrin 'Frenzy' *[MONITOR 29 Sep]* 66
Split Weekly on Independence of Montenegro *[FERAL TRIBUNE 21 Aug]* 67

Kosovo

Liberal Party of Kosova Chairman Visits Albania *[RILINDJA DEMOKRATIKE 30 Aug]* 69
Committee Views Human Rights Violations *[KOSOVA DAILY REPORT]* 70

Court To Hear Testimony on Serb War Crimes 9 Oct

AU0410202095 Paris AFP in English 1949 GMT 4 Oct 95

[FBIS Transcribed Text] The Hague, Oct 4 (AFP)—The international tribunal on the former Yugoslavia will hear for the first time next week witness accounts of war crimes perpetrated in Bosnia-Herzegovina in the trial of a Bosnian Serb, a statement from the court said Wednesday [4 October].

The tribunal will hear in public Monday the evidence supporting the indictment of Dragan Nikolic, a Serb accused of committing war crimes during his time in charge of the Susica camp in northeast Bosnia.

"The prosecutor will also call witnesses who will be the first to testify in open court before the tribunal," the tribunal statement said.

The statement said the hearings were expected to last at least one week and could result in a warrant being issued for Nikolic's arrest.

"If the trial chamber is satisfied that there are reasonable grounds for believing that the accused has committed all or any of the crimes charged in the indictment, it shall issue an international arrest warrant," the statement said.

Nikolic was the first of 43 suspects accused by the tribunal, which has also indicted Bosnian Serb leader Radovan Karadzic and Serb army commander General Ratko Mladic.

The only Yugoslav war crimes suspect in UN custody is Dusko Tadic.

Among the crimes Nikolic is suspected of having committed are the murder of eight camp prisoners and the torture of seven others.

The Susica camp, one of a rash of Serb detention centres which sprung up across northern Bosnia in the early months of the war, was opened in April 1992.

New UN Human Rights Official To Visit FRY

LD0410225495 Belgrade TANJUG in English 1901 GMT 4 Oct 95

["Pool" item]

[FBIS Transcribed Text] Geneva, Oct. 4 (TANJUG)—New U.N. special rapporteur for human rights in the territory of former Yugoslavia Elizabet Rehn said Wednesday that she would visit a region of the former six-member Yugoslav federation on Monday, but did not elaborate.

Rehn gave a press conference at the U.N. headquarters in Geneva for the first time since her appointment to this extremely important office, which was vacated after Tadeusz Mazowiecki resigned.

Asked if she would visit Krajina, having in mind the drastic human rights violations in that area by the Croatian authorities after they occupied this predominantly Serb-populated area, Rehn said she would be sure to visit that area as well.

She said she was starting to do her job with a clear desk and that she had at her disposal 18 reports made by Mazowiecki. Rehn said these reports would definitely be a big help, but that she wanted to form her own opinion on who was violating human rights in the territory of former Yugoslavia and how.

Rehn said she was aware she had taken on these almost impossible missions, but that she was optimistic in spite of this.

Asked if she would accuse some of the statesmen in the territory of former Yugoslavia, as Mazowiecki had done, she said she was not going to the region with any accusations or bias that someone was bad and someone good. She said she wanted to look into this personally.

Mazowiecki had not been welcome in Republika Srpska (the Bosnian Serb state) or in the Federal Republic of Yugoslavia because of his bias.

One of Rehn's first activities in Geneva, where she arrived on Tuesday evening, was an informal visit to the Yugoslav mission to the U.N. in Geneva on Wednesday. She was received by mission head, Ambassador Vladimir Pavicevic.

Rehn informed Pavicevic about her activities in the near future, pointing out that she was approaching her new job without any prejudice and that she would deal only with what she personally learned.

Pavicevic pointed out to Rehn that certain previous reports on human rights in the Federal Republic of Yugoslavia had been biased and unobjective and expressed hope that the new special rapporteur would change this unacceptable practice.

The Yugoslav ambassador told Rehn that Yugoslavia had no reservations about her appointemnt, that it was willing to cooperate with her, and to help her in this important mission.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

PS Head Said Involved in U.S. Visa Trafficking

AU0410110795 Tirana ALBANIA in Albanian 28 Sep 95 p 2

[Article by A. Malo: "Socialist Power Leader 'Persona Non Grata' in the United States"]

[FBIS Translated Text] A nonpolitical incident was added to the Socialist Party's [PS] problems with the American Embassy. Shaqir Vukaj, the highest state representative of the PS, has been meddling in visa trafficking for the United States. The editorial board of the newspaper ALBANIA has at its disposal documents proving that Mr. Vukaj has tried to swindle the administration of the American Embassy, through the authority of the legislature, to give a visa to an anonymous person who was presented as "the collaborator of the Parliamentary Commission on Economy and Finance." The Consular Office identified the person as unlawful by interviewing the applicant who went there with a recommendation from the People's Assembly signed by Mr. Vukaj. This incident, though banal, but humiliating for the authority of the highest state representative of the Socialist Party, imperils the authority of this party "in its seriousness to govern." The PS shows a lack of seriousness in its most delicate contact with the American Embassy in Tirana and exposes to the Albanian electorate the most dangerous precedent for those vested with power, corruption.

Visa trafficking, especially when it is perpetrated under the authority of the Albanian state, is the most flagrant case of the misuse of state authority for personal profit. The Vukaj incident is not the only one. There are similar cases on both sides, the Democratic Party as well as the PS. But this incident is very serious and intolerable because it comes from the top of the state pyramid in Albania. It is common knowledge that the Greek Embassy has in its archives many names of deputies who have asked for visas by compensating the Embassy with their examplary behaviour toward Greece. But the Vukaj incident with the American Embassy is intolerable for many reasons. The American Embassy, as the representative of the strongest country in the world, has no need for political servility of the deputies to remunerate them with visas. This Embassy behaves in the same way both with the citizens who have simple recommendations and with those who have recommendations from the president of the republic. Therefore, Vukaj should not expose his banal profile to an institution that hopes to see serious conquering forces in Albanian politics. There are other people who have become persona non grata for this Embassy, who have tried to trade with American visas. One of them is also the National Unity Party's Idajet Beqiri. It is not the same thing with the deputy speaker of the legislature and the highest PS state representative. The PS is a serious contester for power in Albania and its presentation, especially in very important institutions, such as the American Embassy, is very serious [as published]. This is not only because it affects its reputation, but, first and foremost, because it disillusions a great number of its adherents, who really believe in this party because of old ties. There are a lot of people who are indignant over corruption. Many of them are also members of the Socialist Party, and there is no reason for this party to disillusion them with acts of piracy by its highest representative.

The lowest price Mr. Vukaj may have asked the person who needed a visa is $7,000, but the price he has to pay now is that of shame: "persona non grata" for this Embassy.

[Box, p 3]

The scandal went as follows: On 5 July 1995, citizen A. V. went to the American Embassy in Tirana to ask for an entry visa to the United States. On 26 June 1995, from the offices of the legislative power in Albania, a request was sent to the American Consulate for visas for the secretary of the economy and finance parliamentary commission and the financier of the parliament as well as for citizen A. V., who has no ties whatsoever with the Albanian legislature. Shaqir Vukaj, deputy speaker of the legislature, asked the American Consulate for visas not only for the two functionaries, but also for A. V. The latter went to the Consulate for an interview on 6 July. Witnesses say that after the routine formalities, A. V. was asked: "Why do you want to go to the United States?"

"I have been invited by the NEW YORK TIMES," was the reply. "What is the NEW YORK TIMES?" "It is one of the biggest sausage companies in the United States" was the innocent reply of citizen A. V. This answer was enough to make the American officials, though irritated, burst out laughing, and later very politely show him the door. It is expected that the door will also be shown to the former Shkodra Party Committee secretary, the present deputy speaker of the legislature, Shaqir Vukaj, who may be declared persona non grata by the Embassy.

Unauthorized Use of Berisha's Phone Line Reported

AU0410104995 Tirana KOHA JONE in Albanian 3 Oct 95 p 2

[Report by A.P.: "Berisha's Telephone Line Stolen"]

[FBSI Translated Text] Stealing telephone lines appears to have continued for a long time in Albania. This time the victim was not an ordinary citizen, but the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

president of the republic himself. It is the third time that the telephone line of Albania's Number One has been stolen by citizens. Yesterday, the Tirana Court decided to detain a young man who just six months ago had done the same thing. The 28-year-old Shkelqim Luzi from Tirana was caught stealing telephone pulses at the foot of Dajti mountain. Reports from the prosecutor's office say that the young man was talking with someone in Greece using the line which corresponds to No. 340-74 of the president's office. It is the third time that this line has been stolen. The first case was in August last year and the second on 25 March this year.

"This incident presents a special danger" says Judge Genti Sinani, commenting on the prosecutor's decision to arrest the 28-year-old. Luzi was sent to the Tirana prison until it can be determined whether this was done simply to avoid payment or whether there is something else behind it.

PSD Takes Genocide Law to Constitutional Court

AU0410081295 Tirana GAZETA SHQIPTARE in Albanian 29 Sep 95 p 3

[Unattributed report: "Social Democratic Group Contests Genocide Law"]

[FBIS Translated Text] Tirana—The Genocide Law is being contested in the Constitutional Court. The Social Democratic Party's [PSD] parliamentary deputies yesterday officially lodged a case against this law on the communist genocide that had been approved by a majority of parliamentary votes only a few days previously, and was promulgated by Sali Berisha, president of the republic, yesterday. The PSD group calls this law "anticonstitutional" and enumerates the clauses to which it objects.

"Article 3 removes rights from a range of persons on the basis of biographical criteria. Such a step," the document articulating the PSD's case states, "contravenes Article 19, 'Fundamental Human Rights and Freedoms,' of the Albanian Constitutional Law at present in force." But what are the other claims in the PSD's case, now before the Constitutional Court? The document states, "The removal from a number of people of the fundamental right to be elected contravenes Article 5 of the Convention on the Prevention and Pursuit of Genocide of 8 December 1948, which requires even possible criminals to be declared such by a court of law, and to be punished in accordance with the constitution of the country concerned." The document later defines how and when a person can be pronounced guilty. "An a priori declaration of guilt creates an absurdity without juridical precedent, because Article 1 of this law orders the start of investigations, while Article 3 includes a list of criminal culprits, instigators, and tools."

The PSD parliamentary group demands that the Constitutional Court declare the Genocide Law anticonstitutional and revoke it until the bill is reformulated by parliament.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

'Compromise' Reached on Restarting Kozloduy Unit

AU0410185595 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 4 Oct 95

[FBIS Translated Text] A permission to restart the first reactor of the Kozloduy nuclear power plant has been granted. This is the decision reported by Yanko Yanev, chairman of the Committee on Peaceful Use of Atomic Energy, announced at the operational meeting which took place this afternoon at Kozloduy, and which was chaired by Kiril Tsochev, deputy chairman of the Council of Ministers. Bilyana Mikhaylova reports on the meeting:

[Mikhaylova] Unfortunately, much and mostly unnecessary fuss was raised around the first reactor of the Kozloduy nuclear power plant. Purely technical problems related to nuclear safety were turned into political problems, Konstantin Rusinov, chairman of the Committee on Power Supply, said during the meeting. His thesis was supported by Mr. Yanev and Mr. Tsochev.

Earlier today, at the concluding part of the talks with the experts of the International Atomic Energy Agency [IAEA] who arrived in Bulgaria, the criteria of checking the metal of the first reactor's frame have been discussed. It has been agreed that the methodology of the tests meets the requirements; however, the Western experts did not retreat from their demand to obtain samples of the frame's metal.

According to the compromise agreement that has been reached, the sample will not be taken now, because of the risk involved in the operation, but during the spring, and until then the reactor will function.

Yanko Yanev, chairman of the Committee on Peaceful Use of Atomic Energy, assessed the result of the meeting as positive, despite the fact that there still are differences on important issues, especially in anything related to the representatives of France and Germany, who continue to think that the reactor's safety has not been fully proven.

The basic factor is that the dialogue with the European partners will continue, and this is in Bulgaria's favor, the chairman of the Committee on Peaceful Use of Atomic Energy said.

Now let us listen to the recording of the historical—I allow myself to use this word—meeting in Kozloduy. Mr. Yanev and Mr. Tsochev will speak.

[Begin Yanev recording] As a result of the inspection, which I ordered through a special instruction, the commission led by Mr. Khristov, leader of the inspection, presented its report today. The report describes the results of the inspection. There are certain remarks in some parts of the report, but those remarks describe factors that can be fully corrected. Those remarks cannot prevent or hinder the regular exploitation of the first reactor. In conclusion, the readiness of the first reactor for restarting has been confirmed. The relevant recommendations of the commission's experts will be implemented prior to conducting the operations related to increasing the reactor's capacity. This is the basic conclusion, and I have the pleasure of signing right now in front of you.

I want to thank our power supply workers, all of them, without listing their names. They proved in a most professional way that their claim was correct, namely, that the nuclear power plant, and first of all the first reactor, are ready for exploitation. [end recording]

[Begin Tsochev recording] As a representative of the government I fully support your decision—it is correct and scientifically well grounded. We adopt the following decision: We take upon ourselves as of today to implement the recommendations and begin the restarting of the first reactor. However, I want to receive daily a written report from the nuclear plant, which will be addressed to the National Electricity Company, the Committee on Peaceful Uses of Atomic Energy, and to myself. I want this report every blessed day. [end recording]

IAEA Reports on Meeting

AU0510114495 Vienna IAEA Press Release in English 1046 GMT 5 Oct 95

[IAEA press release: "Meeting in Sofia Concerning the Restart of Kozloduy Unit 1"]

[FBIS Transcribed Text] A meeting of technical experts to discuss technical information relevant to the proposed restart of Unit 1 of the Kozlodny nuclear power plant took place in Sofia on 3 and 4 October. It was called on the suggestion of the Director General of the IAEA and co-organized by the International Atomic Energy Agency (IAEA) and the Government of Bulgaria. Participants from the Bulgarian Nuclear Safety Inspectorate, Committee of Energy and the operating organization along with specialists from Bulgarian research institutes and Gidropress (Russian design organization) took part. Also participating were experts from the Gesellschaft fuer Reaktor-und Anlagensicherheit (GRS) in Germany and the Institute de Protection et Surete Nucleaire (IPSN) of France, two institutes of a consortium of European safety institutes advising the Regulatory body.

The technical discussions centered on the condition of the reactor pressure vessel, particularly its ability to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

withstand a pressurized thermal shock during operation. Recent information from Bulgarian and Russian institutes were reviewed. The European institutes recognized the value of this information, but maintained that further analysis and examination of samples taken prior to start-up were necessary to provide confidence that sufficient safety margins exist during operation. They stated that the proposed restart at this time would require high confidence in the reliability or previous nondestructive testing and correct operator actions during operation. Gidropress, the Russian design organization, presented technical information, based on analysis supported by examination of other WWER [water-moderated water-cooled power reactor] reactor pressure vessels, to demonstrate their argument that sufficient safety margins exist to permit operation for the planned cycle of about 12 months before taking samples.

The Bulgarian Nuclear Safety Authority described requirements which are contained in the licensing approval for the restart of Kozloduy Unit 1. In essence it consists of a three-step programme of operation proposed by the utility as follows:

1. reduced operating cycle of about six months' duration;

2. special operating regime to include, constant power operation to avoid system transients, revised operating procedures, special operator training, increased supervisory control; and

3. comprehensive programme to prepare for sample taking and/or annealing of the reactor pressure vessel at the condusion of the shortened operating cycle.

The meeting recognized that the proposed programme of operation includes technical steps to improve the current situation and that the regulatory authority is requiring the utility to carry out a programme of investigation daring the proposed operation, to provide important additional information for subsequent actions including sample taking and/or annealing.

The Assistant Director General for Nuclear Safety of the IAEA, Morris Rosen, who cochaired the meeting with Yanko Yanev, Chairman of the Bulgarian Committee on the Use of Atomic Energy for Peaceful Purposes (CUAEPP), stated that the final decision to permit restart of Unit 1 is the responsibility of the Bulgarian Authorities.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Meeting of Arms Manufacturers, NATO Advisers

AU0510093195 Prague HOSPODARSKE NOVINY in Czech 26 Sep 95 p 3

[Article by Petr Bakovsky: "The Conference of a NATO Advisory Group Provides a Chance for Our Arms Industry"]

[FBIS Translated Text] The East-West Industrial Workshop of one of the most influential advisory groups of the North Atlantic Alliance, NIAG [NATO Industrial Advisory Group], which is to take place in Prague on 5-6 October, provides an excellent chance for the presentation of the Czech arms industry. Correspondents were informed about this yesterday by Miroslav Legl, director of the Property Administration Section at the Defense Ministry, which, together with the Industry and Trade Ministry, will be participating in this action. The conference will deal with the possibilities of joining the future development in industry and defense capability with defense industrial and technical projects until 2005. It should elucidate the trends of development in state defense and the arms industry. M. Legl added that the Czech Army and industry can clarify here for themselves in which direction they want to move and will acquaint themselves with the intentions of NATO for at least a year in advance.

The conference will be attended by representatives of 25 countries of the North Atlantic Alliance and states participating in the Partnership for Peace [PFP] plan. NATO intends to get industrial circles involved in the Partnership plan. NIAG, which is an advisory organization for military research, development, and manufacture of arms systems used within the framework of NATO, wants to improve trade with Central and East Europe. The conference is for the first time taking place outside the NATO countries, and the organization gives the Czech Republic some advantages—a higher number of delegates, for instance. One-half of those attending are state officials, and the other half are representatives of industrial circles. Hence, Tatra Koprivnice, Aero Vodochody, Skoda Plzen, and other firms will have an opportunity to demonstrate their work directly. They also have a chance to participate in the NIAG projects.

To be entrusted with the organization of the conference is, according to Legl, an expression of trust on the part of NATO in the changes taking place in the Czech Army and industry, and also a nonnegligible step on our way to NATO. The extensive Army modernization program launched in January 1995 had a direct impact on this. The Defense Ministry also expects that the conference will clear up the problems with compatibility of arm standards with NATO in the future modernization of the Czech Army.

[Prague DENNI TELEGRAF in Czech on 28 September on page 2 adds that the conference "will be opened by the 'architect' of the PFP plan, Robin Beard, head of the Executive Secretariat of the NATO secretary general. Defense Minister Vilem Holan, Industry and Trade Minister Vladimir Dlouhy, and Deputy Foreign Minister Alexandr Vondra will speak for the Czech side. In addition to government officials, the Czech delegation includes representatives of strategic enterprises like Skoda Plzen, Tatra Koprivnice, Letecke Opravny [Aircraft Repair Works] Malesice and Kbely, Synthesia Pardubice, and the RDP Group."]

Holan: Outstanding Opportunities

LD0510133595 Prague Radiozurnal Radio Network in Czech 1000 GMT 5 Oct 95

[FBIS Translated Text] According to Defense Minister Vilem Holan, Czech companies have an outstanding opportunity to become involved in industrial cooperation within the framework of NATO. Jaroslav Skalicky has the details:

[Skalicky] Minister Holan told Czech radio this after attending the opening in Prague of a two-day NATO industrial advisory group conference. He said the conference showed that moving toward NATO is a broad process, which concerns not only armies but also cooperation in development, research, manufacturing, and trade. That is why the conference participants include representatives of industrial circles as well as military personnel. For example, the Czech companies present include Skoda Plzen, Tatra Koprivnice, Aero, Synthesia, and others. Today the participants in the conference, which is being held in a non-NATO country for the first time ever, are discussing primarily issues concerning the development of the defense industry in the West and the East.

Competition Ministry Cancels Large Army Contract

AU0410222495 Prague MLADA FRONTA DNES in Czech 25 Sep 95 p 1

[Article by Jaroslav Kmenta: "Ministry Canceled an Army Tender for a Lucrative Contract"]

[FBIS Translated Excerpt] Prague—The Ministry for Economic Competition canceled the first of the tenders for lucrative contracts that are used by the Army to find firms for modernizing its arms.

[Minister] Belehradek's office informed Defense Minister Vilem Holan last week that the latter's department had violated the law in the tender to supply hand-held firearm night sights. This tender, worth several hundred

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

million korunas, will have to be called again. Thus, the actual date when soldiers will be able to use their assault rifles, machine guns, and grenade launchers has also been postponed. [passage omitted]

The Army originally announced as the winner of the tender the firm Pramacom, which comprises Meopta Prerov and the French firm Sfim ODS. The defeated firms Dyna-trade, Petris Solnice, Zenit, and Belmat, however, immediately challenged the Pramacom victory and submitted complaints against the course of the tender. [passage omitted]

Kocarnik, CNB Head Discuss Foreign Currency Law

AU0410222395 Bratislava NARODNA OBRODA in Slovak 27 Sep 95 p 5

[Article by Branislav Janik: "The Czech Deputies Adopted a Law on Foreign Currency Yesterday"]

[FBIS Translated Excerpt] Prague—As virtually the first point on the agenda of the 34th meeting of the Czech Parliament's Chamber of Deputies, Czech deputies yesterday discussed the government draft foreign currency law that the Prague Cabinet approved on 14 June 1995. [passage omitted]

In an interview for NARODNA OBRODA, Finance Minister I. Kocarnik described attaining the convertibility of the Czech koruna [Kc] as the primary aim of the foreign currency law. Although Czech citizens will be able to purchase foreign currency unrestrainedly after 1 October (the hitherto valid annual limit of Kc100,000 will expire), the minister admitted that there are certain restrictive measures in the foreign currency law. At the same time, he pointed to the difference between it and the hitherto valid—still communist, but amended—law that specified only what was permitted. The new law, in essence, only lists the operations that will be subject temporarily to regulation. For example, this involves giving foreign currency bodies the authority to set a limit on the export of bank notes and coins, authority that, according to the minister, should prevent money laundering and tax evasion. The Czech koruna can be exported without restriction in the form of checks and credit cards. Certain restrictive measures also apply to the purchase of securities, shares, and bonds abroad if they are not in the nature of direct investments. According to the law, a direct investment is the purchase of at least 10 percent of the shares in an enterprise abroad. The agreement of the central bank will be necessary for such transactions. The Czech National Bank [CNB] will also permit the opening of a foreign currency account abroad or the provision of financial credits to foreign entities. The fact that, for example, the purchase of real estate and land in the Czech lands will be binding on Czech citizenship or permanent residence in the Czech Republic is also a restrictive measure. He described as a major advantage of the law the possibility that the central bank will, at its discretion and in accordance with the Czech Republic's economic development, eradicate gradually these restrictive measures. It is the desire of the finance minister and the central bank's governor, Tosovsky, who was also present during the law's discussion, that the foreign currency law merely confirms legislatively the factually existing situation and does not cause any fluctuation in the Czech currency's exchange rate. The prime minister concedes that the koruna's convertibility, although partial, is "certain exposure of the currency on which the wind may blow from this or that side from time to time." If the prime minister predicts continuing stability for the Czech koruna and highlights, as a world rarity, the fact that it has been stable for 58 months, CNB Governor Tosovsky is of a different opinion. He also said yesterday that the Czech koruna is approaching a certain crossroads and that something will have to be done with it because the koruna's firm exchange rate is not maintainable in the long term. Tosovsky emphasized in an interview for NARODNA OBRODA that the koruna's convertibility will be gradual and that the possibility of exchanging the koruna abroad will be expanded gradually, at first mainly in the banks of neighboring states. Tosovsky admits that there are certain risks in the exchange-rate sphere—that is, the danger of the inception of parallel exchange rates for the Czech koruna on foreign markets. He is convinced that these potential parallel exchange rates or their deviation should be of only a temporary nature. Another risk, according to him, is the impact on the foreign currency reserves, a risk that ensues from the possibility that the Czech currency will be held abroad as a so-called reserve currency. If it is suddenly offered in exchange for foreign currencies, this could, in the event that it is offered in large volume, place at risk the CNB's foreign currency reserves. But, even so, according to Tosovsky, there are more advantages than risks, and these are more of a hypothetical nature.

Views Differ on Abolition of Slovak Car Duty

AU0310123695 Prague HOSPODARSKE NOVINY in Czech 15 Sep 95 p 3

[Article by "(vap, jbn)": "The Abolished Slovak Duty on Cars Is Still a Problem for the Customs Union"]

[FBIS Translated Excerpt] Brno—The views of the Czech and Slovak sides on the issue of the abolished Slovak duty on small-capacity cars differ even after the meeting between Trade and Industry Minister Vladimir Dlouhy and his Slovak counterpart, Jan Ducky. "I made

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

it clear to Minister Ducky that, in this instance, we expect concessions in another sphere," said Dlouhy yesterday at a news conference in Brno, where he was visiting the 37th international engineering fair. On this occasion, he emphasized that the fair had made a good impression on him and is proof that Czech industry is on a very solid growth curve.

The minister sees problems for Czech industry in the sharp rise in the costs of basic materials. This causes problems for the final producers, who are unable to increase the prices of their products too much because of competition. Dlouhy intends to promote "specific support" for technical education in the government because there is a shortage of technical experts in the enterprises.

In accordance with an agreement reached by Ministers V. Dlouhy and J. Ducky, the Customs Union Council will convene in the second half of October. This will be a meeting of the finance, foreign, and agriculture ministers at which about six issues should be dealt with. A solution to the property-related legal settlement for Czech and Slovak enterprises and the outstanding claims from clearing will obviously be put forward before the Council meeting. "I made it clear that, if the Slovak side is not prepared to meet us halfway, we will slide toward tense relations again," declared Minister Dlouhy. [passage omitted]

Impact of Amendments to New Tax Laws Analyzed

95CH0339B Prague PRAGUE POST in English 15 Aug 95 p 5

[Article by Hank Goossen: "New Tax Laws Provide Both Help and Hardships"]

[FBIS Transcribed Text] The Czech parliament recently published its ammendments to the tax law, to take effect Jan. 1, 1996. There are three important areas that taxpayers and businesses should be aware of in order to plan appropriately.

Changes in corporate taxation. The corporate tax rate is being lowered from 41 percent to 39 percent. This change itself, although contributing to the bottom line of many companies, will have a smaller impact than the first tentative steps toward providing tax relief on bad debts. At present, unpaid debts on sales, for example, are fully taxed as income whether or not the company receives payment. Also, equally stringent bankruptcy legislation at times requires that interest on the defaulting account must be levied and thereby taxed as income until the debtor is taken to court. This is done even if there is no possibility of recovering either the original debt or the interest. The government has finally introduced initial legislation to eradicate this situation.

Starting with accounts of calender year 1995, businesses will be able to write off 10 percent of their yearly irrecoverable debts as a tax-deductible expense. This will only apply to debts that arose before Jan. 1, 1995. For debts arising after that date, businesses will be able to write off up to 33 percent of debts over 12 months old. A writeoff of the remaining part of the debt will be tax-deductible only once court proceedings begin. It is hoped that through time the relief will become more generous. This might include the possibility of recovering value-added tax that businesses have paid to the government on defaulted sales. In the absence of such legislation, these payments can add a penalizing cost (or tax!) of up to 22 percent on every bad debt incurred.

Changes in personal income-tax liability. Personal tax rates remain from 15 percent to 40 percent, but the highest tax rate will now be levied on taxable income over 564,000 Kc. More important, the law has curtailed the valuable relief of allowing foreign experts to work partially tax-free when assisting Czech firms. From Jan. 1, 1996, only 20 percent of their salary will be tax-exempt, down from the current 30 percent.

Perhaps most significant are tax changes regarding foreign companies that supply employees to Czech businesses and charge directly for those services. After a certain period of time, the Czech authorities deem the foreign entity has established a permanent position in the Czech Republic for tax purposes. This means the foreign entity is subject to Czech corporate taxation on the services provided. Currently, such a permanent position is founded once the foreign entity has provided services in the Czech Republic for 183 days, in theory clocked up over a number of years.

From Jan. 1, 1996, such a position will only be established if services are provided for more than 183 days in 12 consecutive months. This means that a foreign employee providing service even for just one day in the Czech Republic will be required to file a tax return accounting for Czech income tax on that portion of his salary. Unless a government exemption is granted, the Czech entity is required to withhold 10 percent of the invoice amount for professional services as security against the foreign entity's corporate tax liability.

These changes could have a profound impact on the taxation of businesses providing services in the Czech Republic, especially those who second employees here.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Draft Laws To Redefine Nonprofit Organizations

95CH0334C Prague PRAGUE POST in English 8 Aug 95 p 3

[Article by Kit Kimberly: "Proposed Laws Could Boost Nonprofit Sector"]

[FBIS Transcribed Text] Currently, a foundation is defined in the Czech Republic as an association of property or capital that provides financial assistance for organizations and activities that benefit the public good. But because of a lack of legal guidelines for the wider non-profit sector, the amount of the endowment or capital required of an organization to qualify as a foundation has never been established.

The only other type of legal nonprofit organization is a civic association, which by definition exists to serve only its members. No legal category exists for organizations that serve the public good (rather than just their members) but have no endowment. Consequently, many organizations exist under the name "foundation" but have no property or capital endowment.

Currently, although more than 3,800 groups are registered as foundations in the Czech Republic, it is unknown how many of these actually have an endowment.

Two bills, in addition to the one to establish distribution of the Czech National Foundation funds, that would alleviate at least part of this problem are scheduled to be voted on in September.

One law would further define a Czech foundation and establish the amount of property or capital an organization must have to qualify. The current proposal sets that amount at 500,000 Kc (about $19,000).

The other bill proposes a category for nonprofit service organizations (nonprofit legal entities) that have no fund or endowment and depend on private and public funding to do their work.

Dr. Lenka Deverova, legal consultant to the Information Center for Foundations (ICN), feels sure that these laws will pass. In addition to further defining nonprofit organizations in the Czech Republic, the laws would establish requirements for record-keeping and accounting for all funds received and spent. This accountability, says Deverova, would elevate the reputation of nonprofits in the eyes of both the government and the citizenry; this in turn would allow organizations to solicit greater financial and public support for their activities.

Poll Shows Dlouhy Still Most Popular Politician

AU0310124495 Prague LIDOVE NOVINY in Czech 20 Sep 95 p 3

[Report by Eva Martinkova: "STEM: Richard Falbr and Josef Lux Recorded a Decline in Popularity in September"]

[FBIS Translated Text] Vladimir Dlouhy, Jiri Dienstbier, and Josef Zieleniec held on to the first three places in the popularity ratings of Czech politicians in September. This is apparent from the results of a recent survey conducted by the Center for Empirical Research [STEM].

The Politicians' Popularity

	Percent
V. Dlouhy	78
J. Dienstbier	71
J. Zieleniec	67
P. Buzkova	57
V. Klaus	56
J. Strasky	55
M. Zeman	55
I. Kocarnik	53
J. Kalvoda	52
I. Pilip	48

According to this survey, Petra Buzkova, deputy chairman of the Czech Social Democratic Party [CSSD], was in fourth place. Prime Minister Vaclav Klaus was placed just 0.6 percent behind her, followed in sixth spot by Milos Zeman, who received 1.0 percent less. Union leader Richard Falbr and Josef Lux, chairman of the Christian Democratic Union-Czechoslovak People's Party, suffered a marked decline in popularity (6.0 percent). On the other hand, Jan Kalvoda, Jan Strasky, and Ivan Pilip recorded a rise in popularity. Other spots in the top 20 are filled by the following: J. Strasky; I. Kocarnik; J. Kalvoda; I. Pilip; R. Falbr; J. Lux; P. Tigrid; K. Dyba; M. Uhde; J. Skalicky; J. Ruml; J. Vodicka; J. Novak; and J. Kasal.

Forty-five percent of the respondents expressed themselves in favor of the introduction of a presidential

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

system—that is, a political system with a strong president with extensive executive powers. The citizens' trust in President Vaclav Havel has declined slightly, however. He is now trusted by 69 percent of citizens, which is 6.0 percent less than in August. At the moment, 56 percent of citizens trust Prime Minister Vaclav Klaus, which is a decline of 1.0 percent compared with August. The president has lost most favor among CSSD supporters; his appeal is strong among the coalition parties' voters. The prime minister traditionally has most supporters among the most active population groups (businessmen, tradesmen, and students).

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ministry Welcomes Approval of Law by U.S. Senate

AU0410172495 Bratislava SME in Slovak 28 Sep 95 p 2

[TASR report: "The Foreign Ministry Appreciates the Step Taken by the U.S. Senate"]

[FBIS Translated Text] The Slovak Foreign Ministry (MZV) has welcomed the approval of the Law on Foreign Operations by the U.S. Senate. It also includes an amendment concerning the involvement of the countries of Central and East Europe in NATO, known as the Brown-Simon Amendment, in which the Slovak Republic is mentioned. The approval of the amendment, which grants the U.S. President the right to release financial resources for an assistance program for the countries during their transition to membership in NATO, is seen by the MZV as another important step bringing the Slovak Republic closer to full membership in the alliance.

Deadline for CFE Armament Destruction To Be Met

LD0410165095 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1400 GMT 4 Oct 95

[FBIS Translated Text] The Slovak Republic is going to fulfill by the deadline—16 November—all of its undertakings that ensue from the Treaty on Conventional Armed Forces [CFE] signed in Paris in November 1990 by 16 NATO members and six countries of the then disintegrating Warsaw Treaty.

(Boris Pitner), director of the Slovak Verification Center attached to the Defense Ministry, at a news briefing in Bratislava today said that, during the three years of implementing the treaty, Slovakia has scrapped so far 418 combat tanks, 443 infantry vehicles, 629 artillery systems, and nine fighter aircraft.

Responding to a question of what this costs the Slovak Republic, (Boris Pitner) said approximately 30 million korunas.

Economic Cooperation Agreement Signed With Iran

LD0410230595 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1700 GMT 4 Oct 95

[FBIS Translated Text] Slovak Economics Minister Jan Ducky has just returned from a working visit to Iran.

[Begin Ducky recording] This visit was planned by our government for quite a long time. Its objective was to sign a standard agreement between the Islamic Republic of Iran and the Slovak Republic. The agreement is about commercial and economic cooperation. We also signed a protocol prepared by the first session of a mixed Iranian-Slovak working group. [end recording]

President: Prepared To Serve My Full Term

AU0410211995 Vienna Oesterreich Eins Radio Network in German 1700 GMT 4 Oct 95

[Report on "exclusive" interview with Slovak President Michal Kovac by Joana Radzynar; place and date not given; Kovac statements in Slovak with superimposed German translation]

[FBIS Translated Text] [Kovac] I am psychologically and physically prepared to continue to resist any pressure and to serve my full term in office. After all, this is the only way for me to prevent my powers from being taken over by the government even only for a very short transition period. This is the only way—I hope—to make sure that thoughtless action will not gain a major influence on society.

[Radzynar] The staying power of Slovak President Michal Kovac pays. The Slovak dailies today came up with a small sensation in the case of Michal Kovac Jr. The liberal daily NARODNA OBRODA received the letter of a Slovak Information Service [SIS] agent who was personally involved in the action against Michal Kovac Jr. and who has now appealed to his colleagues to tell the truth. The agent, who remained anonymous, specifically noted that he was ordered to observe the home of the Kovaces and later to provoke a fictitious traffic holdup to keep the road from (Jur) to Bratislava free of regular traffic. It was only much later that he realized that he and his colleagues were being used for a dirty power struggle. The agent further writes that he is currently in hiding because he is afraid of a possible retaliatory strike by his superior. There has been much discussion about the authenticity of the letter, but for most people the letter is trustworthy. And for Jan Carnogursky, the leader of the Christian-Democratic opposition, who also carried out personal investigations in the case of Kovac Jr., the letter provides sufficient evidence of involvement in the abduction affair of top intelligence service people and, thus, also of the government head. For President Kovac this is still not enough. The open conflict between the police and the intelligence service could, in the long run, undermine the state structures, he said.

[Kovac] Now the head of the intelligence service has appealed to the federal public prosecutor to begin investigations of police investigators—a really unusual and inconsiderate step.

[Radzynar] Now one must hope that the federal public prosecutor will respect the laws, Kovac said. Yet the prime minister could also contribute to solving the conflict. The prime minister, however, keeps a low

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

profile. Yesterday, Vladimir Meciar did not participate in the weekly press club program on Slovak television.

Daily: Kidnapping Investigators Serve President

AU0510092095 Bratislava SLOVENSKA REPUBLIKA in Slovak 27 Sep 95 p 3

[Unattributed editorial: "Hopkirk in the Services of the Office of the President?"]

[FBIS Translated Text] What do you think? Is there a democratic state that would tolerate organized shadow forms of investigation, put up with psychological pressure, and ignore attempts at bribery and incitement to give false testimony, to act in an inadmissible way, to violate laws, and to disregard official secrets—all this with the knowledge of the officially appointed responsible investigators?! From the very beginning of the as-yet-unclarified abduction of M.K. Jr. to a neighboring country, knowledgeable allegations, trustworthy indications, and even direct accusations have been uttered that the Slovak Information Service [SIS] is behind the case. The last to do this was Jan Carnogursky in the Sunday "Kroky" ["Steps," weekly television discussion program].

SIS Employee Present During the Ominous Abduction

The whole structure of alleged evidence is based on the fact that an SIS employee was supposedly present at the Petrzalka-Berg border crossing at the time of the abduction. Who cares that, until now, no one knows across which border crossing M.K. Jr. was taken abroad?

The very fact that someone dares, on the basis of extremely tenuous conjecture and without any relevant proof, publicly accuse a state body of participation in, or even outright organization of, such a deed is criminally liable and bears out one thing—that certain political circles (and, unfortunately, also the mass media) do not in the least honor the law or, by the same token, democracy and justice, which they invoke so often. The protagonists of this game are all too perfectly aware that SIS has no adequate means of public defense because it would have to violate laws and, above all, disclose official secrets!

The (Old) New Secret Service and the Christian Democratic Movement

It is, above all, Jan Carnogursky, chairman of the Christian Democratic Movement [KDH], who is teeming with activity. Yet the public has already gotten used to this. No one would be surprised if he started investigating the delicate case on his own. But Mr. Carnogursky has placed his stakes on other, shrewder companions, on the true experts Messrs. [Vladimir] Mitro [former SIS director] and [Igor] Cibula [former head of SIS Counterintelligence]! You have to admit that this is an investigating body of a different caliber. Or could it perhaps be the (old) new secret service?

What is an ordinary citizen supposed to think? And what are those supposed to think who feed on the immodest illusion of a journalist's mission? [sentence as published] How are they supposed to explain the incredible activities of the aforementioned former SIS senior officials? How are they supposed to understand their close links to the Office of the President of the Slovak Republic? And how are they to interpret their alliance with the highest KDH representative? Let everyone who feels any responsibility seek the answers to those questions. Do not believe that there will not be anyone to find them directly on his desk in the editorial office. It is precisely these champions whom we would like to ask, as colleagues, for a slight trace of forgotten tact. No matter what they "discover" and publish about this special state agency, they are exposing the state as a whole to an intolerable risk of discreditation.

A few facts that we have ascertained bear out more than a mere suspicion that there exist also shadow forms of "investigating" the by-now-famous case, forms that are incompatible with the legal system of a democratic state, and that this evidently has a political background. Transformed into the shadow of a shadow—may Hopkirk [reference to a British television series, in which one of the detectives, Hopkirk, was a ghost] turn green with envy—we have collected the following facts:

The Bare Facts

—At some point in mid-September, Jan Jonata, investigator with the Regional Office of Investigations, contacted M.L. and pressed him to confess because they know everything anyway inasmuch as they have customs officers' testimony and so forth. And then he offered to him on a tray a cake, complete with whipped cream and a cherry on top: the guarantee of a presidential pardon, if he comes out with testimony that helps uncover the perpetrators and, above all, the organizers of this inhuman act.

—A few days later, M.L. again met with investigator Jonata and received the same sweet offer anew, confirmed by the Office of the President of the Slovak Republic. And, to wash it down, he was offered a drink, distilled by the most competent distillers of all, Carnogursky and Cibula, who are on a first name basis with the president. He was told that petitioner [suplikant] Simunic [the first, meanwhile dismissed, investigator of the kidnapping], who is now in the services

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of other gentlemen—the weeklies DER SPIEGEL and STERN—was also appealing to him.

—After barely a few hours, Dr. Satek, the director of the Regional Office of Investigations, invited Dr. Jonata to his office and offered an even wider selection: He, Satek, and Dr. Vacok [chief investigator of the case] are supposedly in contact with the president of the Republic, who has tripled his offer of a pardon and, what is more, is ready to meet in person with someone able to provide relevant information. Everything will be arranged by Mr. Mitro, who avails himself of enough money for the witnesses, should money be a problem, and who can be of use also in editing their testimony. And, as though in passing, Dr. Jonata, who was to start working in SIS on 1 October 1995, was offered the possibility of cooperating in the investigation of the case directly "from the inside."

Four more hard days pass and the preventively prosecuted M.L. makes a desperate move: He privately seeks out investigator Dr. Vacok and, wonder of wonders, hears him voice the strong suspicion that the kidnapping was organized and carried out by SIS. And, because this is completely obvious, he should finally be sensible and divulge what needs to be divulged. Who cares that nothing but official secrets are involved?

We have dared to ponder some serious matters in a somewhat frivolous way. If the testimony cited by us is authentic—and we wish very much it is not—this would mean that, while investigating the criminal act of M.K. Jr.'s abduction abroad, the investigating bodies yielded to the pressure and interests of some political representatives and, acting in their services, incited [witnesses] to give false testimony, with the aim of proving their own truth. We are confident that bodies overseeing the investigation of this case will not leave these facts unheeded.

Investigator Rejects Charge

AU0510092295 Bratislava SME in Slovak 28 Sep 95 p 2

[Article by "bog": "According to Dr. J. Satek, the Movement for a Democratic Slovakia Daily Is Trying To Cast Doubt on Evidence Through Discreditation"]

[FBIS Translated Text] Bratislava—"I can say on behalf of my subordinates and myself that the whole article and its plot are fabricated. It uses half-truths. It is written with the aim of bombastically [bombasticky] discrediting the investigators and, thereby, casting doubt on evidence suggesting that a certain criminal act was committed by certain persons," Dr. J. Satek, director of the [Bratislava] Regional Office of Investigations, told SME yesterday. He was reacting to claims in SLOVENSKA REPUBLIKA, according to which he personally, through investigator J. Jonata, pressed M.L. to testify in such a way in the matter of Michal Kovac Jr.'s abduction to Austria as to help uncover the perpetrators and organizers of the act. According to previously published reports, M.L. was present at the Petrzalka-Berg border crossing at the time of Michal Kovac Jr.'s abduction and introduced himself as member of the Slovak Information Service [SIS]. Dr. J. Satek refused to provide any more specific information concerning the investigation of the case of the president's son. He also refused to comment on information that has been published to date.

According to yesterday's issue of the daily SLOVENSKA REPUBLIKA, Dr. Jonata, who was to join SIS on 1 October 1995, was offered the possibility of cooperating in the investigation of the case directly "from the inside." According to the Movement for a Democratic Slovakia [HZDS] daily, Dr. Jonata supposedly promised to M.L. the guarantee of a presidential pardon if he testified in the case. Asked by SME whether any investigator had contacted M.L. and pressed him to testify, Dr. J. Satek replied: "Some information is true, but everything around it is fabricated. It was the other way around; the initiative did not come from our side." He also rejected SLOVENSKA REPUBLIKA's claim that he was "in contact" with the Office of the President.

Meciar on Need To Stimulate Tourism, Regions

AU0310212095 Bratislava HOSPODARSKE NOVINY in Slovak 22 Sep 95 pp 1, 3

[Interview with Slovak Prime Minister Vladimir Meciar by Emilia Herzogova; place and date not given: "Let Us Stir Up the Stagnant Waters in the Regions"]

[FBIS Translated Excerpt] Banska Bystrica—Slovak Prime Minister Vladimir Meciar's two-day visit to Banska Bystrica focused not only on the FINEX '95 exhibition and meetings with financiers and bankers, but also on meetings with representatives of the city. Control of the implementation of the Slovak Government's plans in the central Slovak region took up a major part of the agenda.

In an exclusive interview for HOSPODARSKE NOVINY, the prime minister said that, for the time being, there is no reason to be satisfied with the performance of some central institutions, the Office of Industrial Ownership of the Slovak Republic, and others. It is also necessary to make greater headway in exploiting the possibilities of transforming Banska Bystrica into one of the centers of the capital market in Slovakia. Since, from 1 September 1995, the central Slovak region is the seat of the newly established

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Slovak Tourist Agency, part of the prime minister's talks centered on the development of this sector and a fuller presentation of Slovakia. According to experts' estimates, after the quality of services is improved and several tourist centers are revived for foreign visitors, the contribution of this sector should reach $1 billion annually.

[Herzogova] What plans and measures and support from the state can businesses active in industry and in services, particularly tourism, reckon on?

[Meciar] It is necessary to stir up the stagnant waters still existing in various structures. Given the interest in building strong regional centers—Zvolen-Banska Bystrica, for example, or Zilina in the north, or Presov-Kosice-Svidnik in east Slovakia—I must say that several projects and possibilities of reviving production, as well as tourism and the necessary infrastructure, remain untapped there. The planned projects are accompanied by conceptual disputes (which need not be detrimental, if they are in the interest of the cause), as well as other problems hampering their implementation.

[Herzogova] Does this also apply to some projects in Banska Bystrica?

[Meciar] The launching of the Slovak Tourist Agency, for example, has been accompanied by controversies that delayed the project. Today the situation is clear. By the end of the year, the starting team (director Rudolf Skulec, chairman of the Supervisory Board Jan Bockay) is to establish the conditions for the staff so that, beginning on 1 January 1996, the agency can be fully functional in promoting Slovakia and in activating some former centers of tourism, utilizing the existing base, and giving it the necessary stimuli for recovery.

[Herzogova] And what about state support, at which you have hinted?

[Meciar] I will mention today one of the plans: to reduce the value-added-tax for tourism-related services from the present 25 percent to 6 percent. However, part of the funds obtained in this way should be directly reinvested in this sector. [passage omitted]

Provisions of New Foreign Exchange Law Detailed

AU0310172595 Bratislava SLOVENSKA REPUBLIKA in Slovak 2 Oct 95 p 3

[Article by Maria Dubravska: "Liberalization of the Current Account; Changes to the Foreign Exchange Law Approved at the Ninth Meeting of the National Council of the Slovak Republic"]

[FBIS Translated Text] The present foreign exchange regime does not correspond to the attained level of the Slovak Republic's economic transformation. The demand to gradually liberalize the foreign exchange regime is part and parcel of the Slovak Government Policy Statement and the National Bank of Slovakia Monetary Program.

The basic philosophy of the new foreign exchange law [passed on 20 September] dwells in the deregulation of the current account of the balance of payments. It proceeds from the principle of the Slovak koruna's convertibility within the framework of the balance of payments. This means that residents will carry out payments and foreign nationals transfers of funds, from current account operations. Only those foreign exchange relations that will be temporarily regulated are subject to the law. The foreign exchange law also envisages that the Slovak currency will circulate abroad.

Foreign Exchange License as a Condition

The law provides for the gradual liberalization of the capital account through a generally binding legal regulation. Trading in foreign securities and the opening of accounts abroad remain subject to direct regulation (in the form of foreign exchange permits). Deregulation in these areas is planned only as part of the final liberalization steps. Trading in foreign exchange and the provision of monetary services by nonbanking entities in relation to foreign partners are conditional on being awarded a foreign exchange license. The present regime that obliges legal entities to offer foreign exchange to the bank is being retained, but its liberalization at a later stage is possible. The obligation of natural persons to offer foreign exchange to the bank is being waived. There will continue to be a limit to the amount of foreign exchange that can be purchased. As of 1 October, the new annual limit is the foreign exchange equivalent of 60,000 korunas.

Acquisition of Real Estate Anew

The new foreign exchange law also retains the present regime governing the acquisition of real estate in Slovakia by foreign nationals. In contrast to the currently valid foreign exchange regime, even citizens of the Slovak Republic who do not have permanent residence in Slovakia will be able to acquire real estate in the Slovak Republic. The law places emphasis on the reporting obligation [ohlasovacia povinnost], which will supplement and gradually substitute for regulatory measures. At the same time, this obligation will secure information needed for balance-of-payment purposes and modifications of the foreign exchange regime, should the need arise. At the same time, the law makes it possible to regulate the movement of short-term speculative capital.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Use of the Koruna

The use of the Slovak koruna in payments for regular transactions will depend on its acceptance abroad. Foreign experience shows that only very few currencies that have been declared convertible are used in international transactions. The new foreign exchange law does not expect the Slovak koruna to be used abroad massively as a medium of payment. Therefore, the volume of Slovak korunas circulating abroad will not be large. The small koruna volumes, coupled with the regulation of capital operations, substantially reduce the risks for Slovakia's exchange rate and monetary policies.

Russia Agrees To Deliver 8 MiG-29's

AU0310125595 Bratislava PRAVDA in Slovak 29 Sep 95 p 17

[Report by "fa": "Moscow Is Paying Off Its Debt to Bratislava With Combat Aircraft"]

[FBIS Translated Text] Yesterday's issue of the Russian newspaper FINANSOVIYE IZVESTIYA published a report on the signing in Moscow of a Russian-Slovak intergovernmental agreement on supplies of seven MiG-29 and one MiG-29 UB fighter jets for the Slovak Air Force. The two sides agreed to eliminate by means of these deliveries the Russian debt to Slovakia, which amounts to roughly $1 billion, according to Russian Ministry of Finance data. Although the two sides did not announce the financial volume of the agreement they signed, it is known that the volume of last year's contract, when Russia delivered to Slovakia for the same reasons five MiG-29 and one MiG-29 UB fighter jets, represented roughly $150 million. Each aircraft thus cost some $25 million. Some experts estimate the latest agreement, which is considered to be a continuation of last year's contract, to be worth $200 million. According to military experts, Slovak taxpayers will not lose out. The eight aircraft, which very soon—in November and December—will land in Slovakia, will help modernize the Slovak Air Force in many respects. Slovakia has at present (that is, without the latest contract) 15 MiG-29, 21 SU-22, 13 SU-25, and 86 MiG-21 aircraft. On aggregate, that is, including training and transport aircraft, Slovakia avails itself at present of 115 aircraft.

Ministry Corrects Report

AU0310130995 Bratislava PRAVDA in Slovak 30 Sep 95 p 11

[Report by "od": "Slovak Ministry of Defense Reacts"]

[FBIS Translated Text] Bratislava—Yesterday we published a report from our Moscow correspondent on the delivery of eight combat aircraft to Slovakia within the framework of the repayment of the Russian debt. Defense Ministry spokesman Frantisek Kasicky asked us in this connection for the following correction and clarification of our information: "The article provides the incorrect time concerning last year's delivery of five MiG-29 fighter jets, since this delivery for the Army of the Slovak Republic was realized already in 1993. The volume of this contract was substantially lower than the stated sum of $150 million, and the information concerning the price of a single aircraft was also incorrect as a result. In accordance with the Treaty on Conventional Armed Forces, a ceiling of 115 combat aircraft has been set for the Army of the Slovak Republic. However, this number includes neither training nor transport aircraft. The data concerning individual types of aircraft published in the article is also incorrect." As we learned further, other data published in the article was correct.

Army Regiments Reorganized Into Brigades 1 Oct

AU0410163895 Bratislava PRAVDA in Slovak 2 Oct 95 p 2

[TASR report: "Army Reorganization"]

[FBIS Translated Text] Trencin—In accordance with the concept of building the Army of the Slovak Republic until the year 2000, the reorganization of regiments to the brigade system was carried out as of 1 October 1995. The second part of the first stage of reorganization was thereby completed. Six brigades were set up, two of which are on a permanent state of alert. The aim of this change is to make the structure of the Army of the Slovak Republic correspond to the needs of securing the defense of Slovakia and move closer to the organizational structure of armies in West European countries.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Horn Urges More NATO Involvement in Europe

AU0410133295 Munich SUEDDEUTSCHE ZEITUNG in German 4 Oct 95 p 11

[Interview with Prime Minister Gyula Horn by Udo Bergdoll and Michael Frank in Bonn; date not given: "NATO Must Become More Involved in Europe"]

[FBIS Translated Text] [SUEDDEUTSCHE ZEITUNG] Mr. Prime Minister, when should Hungary join NATO, the North Atlantic Alliance, so that your fellow-citizens feel safe?

[Horn] As soon as possible.

[SUEDDEUTSCHE ZEITUNG] When will that be?

[Horn] The date is not determined by us.

[SUEDDEUTSCHE ZEITUNG] How can Hungary accelerate matters?

[Horn] Of course, we, too, have certain jobs to do. First, we ourselves have to achieve compatibility with NATO, which involves structural reform of the armed forces, that is, the Hungarian Army, which has already started. There is already very close cooperation with NATO headquarters in Brussels. A NATO maneuver will shortly take place in Hungary. However, I would like to stress once again: It is up to NATO to decide how quickly we can join it.

[SUEDDEUTSCHE ZEITUNG] Is the desire to join NATO compatible with reducing the size of the Army?

[Horn] Yes. Even without NATO we could not have avoided structural reform of the armed forces and the Army.

[SUEDDEUTSCHE ZEITUNG] Does Hungary need NATO to offset the consequences of the reduction?

[Horn] No. But our ability to join NATO, our compatibility with NATO, is an important element of the reform. Our own national interests go hand in hand with the requirements of NATO membership?

[SUEDDEUTSCHE ZEITUNG] Thus, you agree to the demand that any expansion of NATO—as well as of the EU—must strengthen the alliance?

[Horn] Absolutely. If we join, NATO will be strengthened. It is not true that only we will benefit from membership; NATO will also benefit. We have very good contacts in Central-East Europe. In our view, NATO must become far more and more intensively involved all over Europe. If we join, these tasks can be fulfilled better.

[SUEDDEUTSCHE ZEITUNG] Loose associations, such as the Visegrad states or the Central European Initiative, do not work well. Do you believe that cooperation with the difficult neighbors is really possible?

[Horn] They are not alliances or alliance systems. There is no alliance relationship with the three other Visegrad states but only loose cooperation, in particular in the economic field. Together we suggested the establishment of the Central European Free Trace Association, CEFTA, an initiative that envisages the 80-percent abolition of customs duties it his region as of 1 January 1996. The remaining 20 percent are to be abolished in two stages. And we also want to successively extend this to the agricultural sector. This means that not only will the preconditions for freer trade among the members be established but there will also be far more favorable market opportunities for foreign investors on the single market. As I said, this initiative was suggested by the four Visegrad states. Slovenia has joined us. Next year we want to take in Romania. And we are also examining the application by other countries, which have shown interest, such as Bulgaria and the Baltic states. This would create a pretty large single market, a pretty large free trade zone.

[SUEDDEUTSCHE ZEITUNG] Where does Hungary see NATO's eastern border? Do you also see the danger that, if Hungary, Poland, the Czech Republic, and the Slovak Republic are admitted to NATO in a first step, countries like the Baltic states would then be exposed to a potential imperialist interest from another side?

[Horn] I cannot agree with such logic. Several countries have applied for NATO membership. So far, I have not heard that other countries have also applied—perhaps Romania did so.

[SUEDDEUTSCHE ZEITUNG] But the Baltic states...

[Horn] That is, let us say, their business. The countries in question, these new democracies, must live up to the requirements, to the criteria. And whether or not they do this is decided exclusively by NATO. Those who fulfill the requirements should be accepted. Why should this cause tensions?

[SUEDDEUTSCHE ZEITUNG] Do you think the theory is unacceptable that one has to wait until the entire central European area, including the Baltic states, is ready for membership?

[Horn] I do not agree with that at all. Why should we, who will very soon fulfill the preconditions, have to wait forever for others, who will perhaps never be able to fulfill them?

[SUEDDEUTSCHE ZEITUNG] Honestly, are the Hungarians really afraid of Russia? Is this why they do not want to wait? Is it really to be feared that Budapest,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Prague, or Warsaw might indeed one day be exposed to post-Soviet desires for hegemony?

[Horn] I do not think that Russia would be an acute danger to us. I do not see any signs of that. However, today there is only one single organization in all the world that can guarantee the safety of its members and security as a whole, and that is NATO. And NATO also has the appropriate instruments for that. Therefore, we have every reason for wanting to join it.

[SUEDDEUTSCHE ZEITUNG] But what happens if the bear growls and bares his teeth?

[Horn] I am not interested in Russia! This entire region is burdened with conflicts, which are centuries old, and therefore, this region must be stabilized. The situation in the former Yugoslavia shows how important this is.

[SUEDDEUTSCHE ZEITUNG] This means, you hope that the accession of Hungary and its neighboring countries to NATO will lead to a lasting stabilization of this region?

[Horn] Quite so. And that is also in the Russians' interest.

[SUEDDEUTSCHE ZEITUNG] Russia warns that an expansion of NATO would provoke a big conflict, perhaps even a war.

[Horn] I have not read the statements that you are quoting now anywhere. I know that they are suspicious of NATO getting new members in Central Europe, but I do not know any statements explaining why our membership would be a new source of conflict.

[SUEDDEUTSCHE ZEITUNG] Thus, membership with Russia's approval?

[Horn] We are not looking for Russia's approval. It is none of Russia's business. We will not ask for approval. This is a sovereign decision by the Hungarian National Assembly and the Hungarian Government; this is our sovereign decision; this has nothing at all to do with Russia. Russia has neither the right to veto nor the right to participate in decisionmaking—this is absolutely our sovereign decision.

[SUEDDEUTSCHE ZEITUNG] Your country has a hot war right in front of its door. Are the fears of many Hungarians that they might get entangled in this conflict justified?

[Horn] We will not get entangled in this war under any circumstances. I cannot imagine any situation or any force that might manage that. We deliberately did not adopt any position in this conflict, for one side for other. Nor do we permit Hungary's territory to be used for any kind of military purposes. Thus, any fears are completely unfounded. It is, however, true that we are suffering very much from this war.

[SUEDDEUTSCHE ZEITUNG] Among your fellow-citizens there is great excitement because of the plans for settling Serb refugees in Vojvodina, which belongs to Serbia.

[Horn] That is very, very negative. We have protested to the Serbian government. We try to prevent ethnic cleansing. Unfortunately, there are signs that the refugees from the war zone are driving Hungarians out of their houses in the Vojvodina.

[SUEDDEUTSCHE ZEITUNG] Are you not under considerable pressure to act against it?

[Horn] What can we do apart from the political, diplomatic steps. I cannot imagine any other step.

[SUEDDEUTSCHE ZEITUNG] Does Hungary plan to participate in the peacekeeping force for Bosnia?

[Horn] It would be better if the Hungarians were not to participate. However, we are ready for any other kind of help.

[SUEDDEUTSCHE ZEITUNG] According to its Foreign Minister Kinkel, Germany wants to be Hungary's "advocate and pave its way" into the euro-atlantic structures. Are you held back or encouraged by Bonn?

[Horn] No, no, we are certainly encouraged, very consistently. There is no vacillation at all in the German position.

[SUEDDEUTSCHE ZEITUNG] Great?!

[Horn] That applies both to NATO and to the EU as regards the possibility of getting into both of them as soon as possible. German policy is very, very consistent in this respect. Consistent and positive.

[SUEDDEUTSCHE ZEITUNG] Many Hungarians believed that a very rapid integration of Hungary in NATO and the EU will be an expression of gratitude for opening the border in 1989, which started Germany's unification. Many of your fellow-citizens are disappointed now and feel abandoned. Is this justified?

[Horn] No, we have not been abandoned. This is a process that one cannot complete overnight, not within a year. I would be happy if the other countries were to support us as much as Germany. The EU, too, should take greater care of the Central-East European countries, should grant more support regarding the structural change and their ability to join. The declaration on a package of loans totalling 1 billion marks, which we have signed here in Bonn, shows that Germany supports us not only verbally but also with real deeds.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

FRG Loan 'a Vote of Confidence' for Horn

AU0510092795 Budapest NEPSZABADSAG in Hungarian 4 Oct 95 p 3

[Editorial by Endre Aczel: "Loveless Love"]

[FBIS Translated Text] The 1 billion German marks [DM] that Chancellor Kohl offered to Gyula Horn on 1 October is not a small sum. Although it is only a fraction of the tremendous amount of DMs that the German Federal Government pumped into its own eastern lands (the former GDR [German Democratic Republic]) to accelerate their modernization, the aforementioned sum is, nevertheless, quite substantial from the viewpoint of Hungarian modernization, a sum that greatly reduces the budget burdens.

It was worth maintaining the Hungarian Socialist Party [MSZP]-Alliance of Free Democrats [SZDSZ] coalition for this.

There is no anger whatsoever involved in this remark. I only see a connection between timing factors. I suspect, and I even believe, that it was not a God-given miracle that the Hungarian prime minister gave up his idea of reshuffling the government, an idea unacceptable for the coalition partner, precisely on the eve of his visit to Bonn. I am not saying that there would be no German credit if he did not give up this idea. I am only saying that Kohl's government called for Horn's gesture. Rumor has it that the Hungarian prime minister received a message from Chancellor Kohl with such a content, or at least in this sense.

If so, let us review the things Germany—the biggest political and economic power in Europe—is interested in with regard to Hungary.

Germany is interested in political stability in Hungary, and they presently regard the MSZP-SZDSZ coalition as a guarantee for such a stability. Not because Kohl's conservative heart is throbbing for the socialists or the free democrats. No. This is an interest totally free of ideology. It is a loveless love. If, by chance, other parties formed a coalition in Hungary and their marriage had to be protected for the benefit of stability, Kohl would be interested in making that marriage a lasting one.

Hungary's modernization and its increasing readiness for European integration is not party-specific, and every German "approach" is based on this prerequisite. Quite simply: As the biggest sponsor of the former communist part of Central Europe, Germany is ready to spend money to maintain and broaden its influence in this region and, in the meantime, it does not care what party colors are momentarily represented in the government. Red can also be stable, and the blue and the green can also be unstable, and the other way around.

Besides, regarding the guarantees that Bonn provides for public use credits given to another country, one should know that these guarantees are the most solid among the solid guarantees themselves: commercial banks are usually streaming to provide such loans because they simply cannot lose in such a deal.

And this is the essential thing. The DM1 billion is a vote of confidence for Gyula Horn's government. At the same time, it denies the general presumption that also spread among professional circles that if a country—in this case Hungary—is unable to to come to an agreement with the IMF, it will still be able to get expensive loans from private banks, but it will never be able to get government credits or government guarantees.

It can. Because the whole affair is a political issue. And, on international markets, the confidence of the German Government is worth at least as much as that of the IMF.

Horn Comments on Coalition, Economic Issues

AU0510112195 Budapest MAGYAR HIRLAP in Hungarian 30 Sep 95 p 10

[Interview with Prime Minister Gyula Horn by Dezso Pinter in Budapest on 29 September: "Only the Stronger Can Compromise"]

[FBIS Translated Text] [Pinter] In your view, did you suffer a defeat in the recent coalition battle?

[Horn] Actually, only the stronger can compromise. The fact that, on my part, I did what I could to maintain the coalition without giving up my goals is not a defeat. It has become clear, and will continue to be so, who is taking what responsibility for Hungary's fate.

[Pinter] What losses must you admit in the wake of the protracted coalition debates?

[Horn] I am not aware of any losses. It is true that the coalition talks were time consuming, but they were also useful, because we debated issues that would have come to the fore sooner or later anyway. Government activity was extremely intensive in the midst of the occasionally very strong debates. We formulated the basic version of the 1996 budget and of the 3-year strategic program, we started the series of debates on the modernization program, we reached an agreement with the Wallenberg-group, we carried out the tasks involved in the preparation of the German credit worth DM1 billion, we held quite important talks with the Lond-based Bank for European Bank for Reconstruction and Development [EBDR] and with some neighboring countries, and we conducted a lively

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

dialogue with domestic interest-protection organizations and civil organizations. Does this indeed show idleness for three months?

[Pinter] What is your opinion about the claim that you paid a big price for the coalition debates, because they seriously damaged your prestige?

[Horn] These opinions are unfounded, because the debates did not end without results. I will take the steps aimed at improving the government activity. Public administration coordination will become stronger, we will find the organization framework for the care and coordination of the government's development programs, and there will be chances of better contacts with the civil organizations and the press. All this is a gain in prestige, rather than a loss in prestige.

[Pinter] To what extent did the leadership and members of the Hungarian Socialist Party [MSZP] follow you in these debates?

[Horn] The MSZP National Committee supported me almost unanimously on 28 September. The debate reinforced my belief that I can count on the clever assembly of this body in the future as well. Besides, I never had the illusion that every member and every prominent figure in my party would always support me in everything. The composition and nature of this party does not allow such hopes. The important thing for me is to reach an agreement with the decisive majority. There has never been any problem with this.

[Pinter] What if the measures that are received with increasing displeasure continue?

[Horn] I will still rely on the opinion of the large majority. We must temporarily push quite a number of leftist values into the background for the benefit of Hungary's financial and economic stabilization, but we know that we cannot do anything else. There are people even within our party who accuse us of conducting a rightist policy. Tell me, what predetermined theoretical program is there for dealing with an economy in crisis and for managing the restructuring? I have not heard of any such program. I do not know what to do with the ideological names given to me, because the government must deal with a large number of extremely practical tasks. There are no recipes, and not only in Hungary, but also in the entire East-Central Europe. We toil to find a solution.

[Pinter] Are there any signs attesting to the fact that the difficult situation will lead to the start of a power struggle in the MSZP? Are there any people who would like to remove you from your position as party chairman and prime minister?

[Horn] At the request of a large majority, I accepted the position of party chairman in 1990, and I think that a large majority still wishes me to fulfill this position today. I do not know of anyone who would like to remove me. Besides, the past five years has been a period of debates, and I do not find anything wrong with that, because the strategy that made us the strongest party in 1994 is also the result of this discourse. We succeeded in controlling the debates that seemed to divide us and, thanks to the sober compromises, the MSZP always took the right direction. There are no bodies or persons beyond criticism and, naturally, the party chairman-prime minister must also constantly face criticism. I am ready for it. However, I decided at our congress in Szeged in 1992 that I will not allow anyone within the party to destroy our major leftist values. I will not allow anyone's personal ambition to overcome party interests.

[Pinter] Who will define the border between tough and personal criticism and personal ambition?

[Horn] I have confidence in the evaluation of the MSZP members, as well as in their calm and political acumen.

[Pinter] What are your relations like with Sandor Nagy, chairman of the National Federation of Hungarian Trade Unions [MSZOSZ]?

[Horn] We are definitely on good terms, and we talk regularly about Hungary's economic situation and the relations between the government and the trade unions. Sandor Nagy is a politician who tries to answer every difficult challenge with an effective stand. It is largely thanks to Sandor Nagy's political virtues and prestige that the MSZOSZ won a landslide victory at the factory council elections. This MSZOSZ agrees with the financial and economic stabilization program; at the same time, the MSZOSZ has alternative proposals in certain areas. It would be a serious mistake to disregard this.

[Pinter] In your opinion, what political future is awaiting the MSZOSZ chairman?

[Horn] Both his ability and his age justify that he play an even-more important political role in the future Hungary than hitherto.

[Pinter] Your answer is slightly ambiguous. What political role do you have in mind?

[Horn] First of all, this does not depend on me, but on the intention of Sandor Nagy and that of the relevant bodies. Parliament, the MSZP, and the government would all benefit if Sandor Nagy received bigger political opportunities. I am confident that this will happen, sooner or later.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Pinter] In your view, are the number of your allies increasing or decreasing?

[Horn] I do not have allies among the figures who have different ideologies in the higher political echelons. Many people think that the MSZP and its coalition partner should struggle through this extremely difficult period. I am much more concerned about the alliance with society. Among other things, I see that our position has weakened among the intellectuals, and people blame several steps of my government for this. We continue to regard the contacts as something quite important, but we cannot avoid certain reforms. No one can disregard the requirements of restructuring. The fact that differences in financial standing are increasing not only as a result of talent, diligence, and skill, but also as a result of illegal acts, shrewdness, and various personal contacts, affects our entire social alliance and, understandably, this leads to indignation. The government can only use legal steps to curb the black economy and the illegal accumulation of property. There are not enough legal means for this now. For the time being. But, hopefully, this will not last forever; until things change, we must improve the work coordination of the relevant authorities.

[Pinter] Now, when we are preparing this interview, looking through the windows of your study, you can see protesting students. The newspapers write about policemen and pensioners planning demonstrations. How do you feel about all this?

[Horn] There are things I understand, and there are things that I do not understand. In our view, we offered an acceptable solution to the student body on every debated issue. What is the sense of holding a demonstration then? As for the policemen, we will raise their salaries by 20 percent next year. I understand that they do not want a tax system that creates worse conditions than those prevailing before the raise. I understand the bitterness of needy pensioners too, but I must draw the attention to the fact that the government sticks to the parliament decision, and it takes care of the pensions in harmony with the increase in nominal wages. At the same time, the government cannot disregard the fact that old people are in need. Things will change if economic performance grows.

[Pinter] Have you ever been tempted to ease the burdens of a social group to the detriment of the restrictive measures already taken, measures you also regarded as justified?

[Horn] It has never crossed my mind to give up the stabilization program. However, one can envisage certain changes in proportion within this program. For example, we cannot allow the drastic drop in the income of public employees to continue. I think it extremely important to create development funds that, supplemented with budget monies, could contribute to the advancement of a given part of Hungary. We could also ease the burden of certain social strata with the creation of such funds. All this would not mean that we give up the stabilization program. So far, we have mostly been able to advance in places where the state is the owner and where wages and allotments come from state sources. When savings are needed, the reduction of further expenses can only be made certain in these areas. Many people have a bad feeling because of all this. Speaking about stabilization, I see it as necessary to repeatedly examine the state debt, namely, to find ways to reduce the interest, something that takes billions out of the common coffer.

[Pinter] According to our information so far, next year's budget will again put serious burdens on our society. Where are the resources to help carry these burdens?

[Horn] It is a basic requirement not to endanger the operation of health care, educational, and other vital institutions. Therefore, we repeatedly reformulated the draft budget for 1996. However, many state institutions continue to be lavish in spending. The first nine months of this year show that investments, industrial production, and services are growing dynamically. For the first time in 30 months, the volume of exports was bigger than the volume of imports in July 1995. So, we have already seriously advanced toward reserves and, if we reach a growth of at least 2 percent in GDP by the end of the year, a narrow window might open toward improving the living standards as well. I am deeply convinced that we are advancing on the right road, and thus we have a chance to catch up with the community of developed countries.

[Pinter] Will you consider the dismissal of the finance minister if the debate on the strict budget is too stormy?

[Horn] The decisions on which the finance minister will make a proposal emerged in tough debates. We cannot exclude the possibility that corrections will also be needed later, corrections that do not affect the essence of the budget. Finance Minister Lajos Bokros is a professional; at the same time, however, he is not an expert on how to convince the society of the need for strict measures. Sometimes I also bear the burden for this. However, professional performance and the implementation of the stabilization program are the decisive things.

[Pinter] What are your impressions from the latest talks of the International Monetary Fund in Budapest?

[Horn] The IMF delegation of experts arrived with the task of studying the draft bugdet for 1996 and the rele-

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

vant parliamentary proposals. Their experiences are favorable and urged us to carry out further radical reforms. However, we must see to it that the reforms do not create a really unbearable situation. The Hungarian National Assembly and the Hungarian Government, rather than the IMF, are responsible for what is happening in Hungary. Our hard currency reserves exceed $8 billion. Hungary is solvent even without a standby credit of a few hundred millions. The opinion of the IMF is primarily important for us not because of credits, but because of its evaluation of Hungary, as the IMF enjoys great prestige on the international financial market. An agreement might emerge between the government and the IMF in the near future in the wake of the steady dialogue.

[Pinter] How is Hungary's system of international conditions changing?

[Horn] The dragging on and occasional helplessness of the Yugoslav crisis continues to influence the whole region harmfully, including Hungary. The strong debates in the EU on the future and expansion of this organization create uncertainty. At the same time, economic growth continues in most developed countries, and this creates favorable conditions for Hungary. It is extremely promising that there is almost no one among our foreign partners who does not praise the measures we have taken and planned for stabilization and modernization. International financial and economic relations are basically determined by business factors. If the enterprises get something out of investing in Hungary, they will bring in capital. If their prospects are unfavorable, they will leave us, as there are enough countries in the world where they are awaited with open arms and great opportunities. However, Hungary continues to be in a leading position: Hungary continues to receive the largest amount of foreign investment, and privatization continues to be followed with great interest. Investors praise the fact that the current Hungarian Government courageously started reforms that none of its predecessor engaged in for decades. Hungary has again pushed itself to the top line of reforms in the past 14 months. All this is rather promising, even if the consequences of all this are not yet noticeable in the improvement of the population's living conditions. The most important goal of our government is to see Hungary become a EU member around the turn of the century. According to international evaluation, Hungary is the only east-central European country that is making steady concrete and constructive proposals on cooperation with the EU. This also applies to the Essen and Cannes summits. We would like everyone to understand in the EU that it is not some kind of charity but, through market and cooperation, the West would also benefit from Hungary's involvement in the integration. There is no agreement among the EU members on the chances of the Visegrad Four, namely Hungary, Poland, the Czech Republic, and Slovakia. At the same time, there is a strong group of countries urging that the aforementioned countries should become EU members around the year 2000. Germany is the engine of this group of countries. I hope that the intergovernmental conference starting in the summer of 1996 will decide on the elements of commencing the joining negotiations and on its timetable. I am also confident that we can, with tough work, become members three years after the start of the negotiations.

[Pinter] Is your upcoming visit to Germany a preparation for this process?

[Horn] In Kassel, I will receive the Prizma Prize, a prize that, according to official statements, was conferred on me in recognition of my services to Germany and Europe in the course of dismantling the Iron Curtain; then, I will hold talks with President Roman Herzog, Chancellor Helmut Kohl, and Finance Minister Theo Waigel in Bonn. This will be my third visit to Germany in the past 14 months, and this in itself shows the importance of Hungarian-German relations. Germany is prominent in dealing with facilitating the development of the east-central European region, including moral, political, and financial support for Hungary. I have definitely good personal relations with Mr. Kohl, and he always fulfilled his promises. It is promising for me that the Hungarian Government does not make any international efforts that are not supported by Bonn.

[Pinter] The German Federal Government, as well as those of Bavaria and Baden-Wurttemberg, is preparing a credit package of DM1 billion for Hungary. Is it certain that we can make use of this?

[Horn] We have every chance of reaching an agreement. The credit package is particularly important because it serves to restructure Hungary's economy, rather than to cover the budget deficit. Economic growth and the strengthening of the conditions of restructuring in Hungary are inconceivable without developing our infrastructure, saving energy in the economy and in households, and supporting the small and medium-size enterprises. We will allocate funds from the German package not only for this, but also to develop a modern land registry system, in order to facilitate investments and financing. I also want to make use of this visit to draw the attention to the fact that German firms can be our partners in developing the Hungarian road network, in building highways, and in participating in the privatization of big strategic enterprises here. Naturally, such investments are carried out on the basis of the firms' own decisions, but it makes a lot of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

difference what conditions the government provides to encourage such investments. We need first of all three things from the West: market, capital, and know-how. In this respect, I noticed the greatest readiness for cooperation from the Germans.

[Pinter] Do you see any chance of ending the Yugoslav crisis quickly?

[Horn] Hungary welcomes and supports the Clinton plan that could bring the long-awaited turn. If this chance is lost, the interests that, if implemented, might put an end to this war must be considered immediately.

[Pinter] What does Bucharest's plan on the historic reconciliation between Hungary and Romania mean to you?

[Horn] The most important thing at the moment is not to become prisoners of the failure to sign the basic treaty. Our system of relations is improving or can improve in many areas even without such a basic treaty. Hungarian foreign policy consistently formulates the European requirements that Romania also promised to observe. We do not want to overstep, without principles, the tension that has emerged because of the conditions of the ethnic Hungarians living in Romania; for example, we do not disregard the latest education law there. However, one must see that, although in a contradictory way, basically, the relations between the two countries are, nevertheless, developing favorably, because we no longer shut the door in each others' faces; instead, we are talking about everything. The road is long, but there are serious chances.

Progress Expected on Minority Issue in Romania

LD0410222495 Budapest Kossuth Radio Network in Hungarian 2100 GMT 4 Oct 95

[FBIS Translated Text] Romanian Defense Minister Gheorghe Tinca, who is currently visiting Budapest, has met President Arpad Goncz and Prime Minister Gyula Horn, too. Today he and his negotiating partner Defense Minister Gyorgy Keleti signed a joint statement and held a joint news conference. Istvan Kulcsar reports:

[Kulcsar] Gyorgy Keleti told the news conference that during Tinca's talks with both Arpad Goncz and Gyula Horn there had been discussion of the handling of the minority issue in Romania. The Hungarian side expects progress in the issue.

Answering a question, the Hungarian defense minister said that Hungary will support Romania's admission to NATO if Romania complies with NATO's terms, including the tackling of the nationality issue.

It was established among other things that military ties between Hungary and Romania were excellent and getting closer. Joint military exercises, observers invited to national military exercises and a possible future military industry cooperation are all signs for improving relations.

Every agreement is worth as much as is implemented from it, Gyorgy Keleti noted. He added that all 15 points of the former Hungarian-Romanian military agreement had been implemented.

Regarding a hot line to be set up between the two defence ministries and chiefs of staff, Gheorghe Tinca thought the term "hot line" was wrong, because the direct line to be established would serve the strengthening of cooperation and not the clarification of differences of views.

SZDSZ Head Assesses End of Coalition Dispute

AU0310212795 Budapest NEPSZAVA in Hungarian 30 Sep 95 pp 1-2

[Interview with SZDSZ Chairman Ivan Peto by Anna Dano and Laszlo H. Biro; place and date not given: "Peto: The Two Parties Have Closed the Debate"]

[FBIS Translated Text] The Hungarian Socialist Party's [MSZP] Executive Committee has sent a statement to the Alliance of Free Democrats [SZDSZ], in which it declares that the government will continue to operate in accordance with the coalition agreement. It states that Gyula Horn has abandoned all intentions of changing the government, which would have affected the agreement. We have been informed that, contrary to previous plans, the MSZP does not consider it necessary for the party's Executive Committee to hold a joint session with the SZDSZ's Executive Committee. This could only happen if the minor coalition partner initiated it. SZDSZ Chairman Ivan Peto gave an interview after the MSZP's decision.

[NEPSZAVA] What are the SZDSZ's views on the MSZP Executive Committee's statement that the prime minister has abandoned his intention to restructure the government?

[Peto] The SZDSZ welcomes the statement as an end to the current coalition debate. This allows the coalition to concentrate on important issues. By these I mean legislation dealing with economic economic and social issues. The state apparatus also bears the consequences of the coalition debate. Therefore, the end of the debate also creates a certainty for us: We do not need to expect the ministers to change.

[NEPSZAVA] Do you see this ending of the conflict as a success?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Peto] It cannot be seen as a success that the conflict created by the two parties has been ended by the two parties.

[NEPSZAVA] Has the SZDSZ's position changed within the coalition?

[Peto] We do not agree on changing the coalition agreement. No changes suggested by either side have been implemented. The two parties still have to reach a compromise.

[NEPSZAVA] Is there any guarantee that this will be the last coalition crisis?

[Peto] At the end of every coalition debate we hope that it will be the last one, but all of them have ended with a new one being started. I would like to be cautious on this issue. I cannot see any guarantee that we will not have more debates after the conclusions are drawn.

[NEPSZAVA] Horn has been trying to change the coalition government for a month and a half. Do you believe that he has now given up this intention for good and that he will tolerate the ensuing loss of prestige?

[Peto] Both parties bear the consequences of the debate and this step was needed to close the debate. It is a definite merit that the MSZP Executive Committee took this step.

[NEPSZAVA] Was it the MSZP or the prime minister who retreated?

[Peto] According to the public statement, the the MSZP's Executive Committee accepted this stance on the basis of Horn's proposal. Both sides were needed for this.

[NEPSZAVA] Is it certain that the statement can only be interpreted in one way? Is it possible that the prime minister has not abandoned the idea of restructuring the government and his intention might be to hold further talks with his coalition deputy prime minister [Gabor Kuncze] on this issue?

[Peto] This is speculation and I do not wish to deal with it. The statement says that the prime minister has removed this issue from the agenda.

[NEPSZAVA] Does the ending of the debate have any effect on the disagreement to do with youth affairs, namely that Elemer Kiss [state secretary] talked to the students behind Gabor Fodor's [education and culture minister] back?

[Peto] The ending of the debate will hopefully have a positive effect on all issues. Fodor and Kiss have cleared up their disagreement.

[NEPSZAVA] In an interview to MOZGO VILAG [moving world], you gave a grade of two [on a scale of 1-5, with five the best] to the government's work. Does it follow from this that the government's structure needs to be changed?

[Peto] A better performance is needed but this does not necessarily require structural changes. We have never been against systematically reviewing the government's operations. However, we did not consider it correct to intervene in the government's operations only on certain points.

[NEPSZAVA] If Horn had not given up his idea on government changes, would it have meant the breaking up of the coalition?

[Peto] Some kind of active step would have been needed to end the coalition.

[NEPSZAVA] Will you hold the joint session of the MSZP's and the SZDSZ's Executive Committees?

[Peto] This was our suggestion and, in my view, it would be useful.

[NEPSZAVA] Earlier you said that you could consider changing the government feasible if this was preceded by an analysis. Is such an analysis in progress?

[Peto] No.

[NEPSZAVA] Do you believe it to be a communications problem that many sections of the MSZP's statement had nothing to do with the coalition agreement, but it was not clear to the public that you actually agree on most of the points?

[Peto] We are in favor of written proposals because these kinds of problems cannot arise then.

[NEPSZAVA] Is it correct that, according to this, no written proposal was taken to the talks of Horn and Kuncze and the stance of the two sides did not become obvious?

[Peto] The talks had some important and some minor elements. The views became clear on the two crucial points. In the end, the MSZP's Executive Committee issued the already known statement. This included proposals that we also support, such as the position of government spokesman should be filled. However, I do not believe that we should be analyzing this just now; the main point is that now there is no obstacle to cooperation.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Army To Issue Bids for Surveillance Radar

AU0410111095 Budapest MAGYAR HIRLAP in Hungarian 3 Oct 95 p 5

[Correspondent's report: "Bids for Radars"]

[FBIS Translated Text] The Defense Ministry will probably issue international bids for purchasing high-power airspace surveillance radars this year. The radars, projected to be deployed on the summits of the Bukk and Mecsek Mountains and the digital telecommunication system will make it possible to convey the radar-supplied data to the air defense center in a matter of seconds, instead of the 4-5 minutes today. All this would enable the air force units to take prompt measures against aircraft entering the airspace by accident or aircraft arriving with the intention to attack.

The Hungarian National Assembly recently voted unanimously to develop the domestic airspace defense radar, surveillance, information, and telecommunications system. On the basis of this decision, the central budget will allocate several billion forints for setting up the new systems in the coming three years. The obsolete character of the present system clearly transpires from the case when, visiting the air defense center in Veszprem, a British officer said that this system reminds him of the London airspace defense system in 1945.

Major General Tibor Szegedi, head of the army's flight and air defense main group, told us that, at present, it takes almost five minutes for a signal to reach the center through various relays. In addition, the chances of detecting an aircraft flying at an altitude lower than 1,000 meters are minimal.

The two radars to be set up in Bukk and Mecsek will detect aircraft flying at altitudes between a few hundred meters up to 30,000 meters, depending on topographic conditions. The range of this new system will be 400 to 500 kilometers, so it will cover the entire Hungarian airspace, and will also "see" much deeper into areas beyond Hungary's borders. Air controllers will be able to consult in time with the air controllers of the given country if necessary or, if they cannot reach them, there will be time to deploy the combat aircraft on alert. These aircraft could provide assistance to aircraft that have lost their way, or take a firm stand against intruders. The deployment location of the two radars was determined by a computer program—Tibor Szegedi told us. The Bukk and Mecsek region promises to provide the best view of the domestic and surrounding airspace. Aircraft flying at low altitude can also be easily detected from here. Experts have already visited the area and indicated two or three mountain summits as future bases.

In addition to setting up the radars, it will also be necessary to set up a communications network capable of transmitting digital signals. The present telecommunications system is unable to transmit the signals arriving from the radars. With the new system, the signals will automatically reach the control center as well as the combat positions of aircraft and air defense missile units.

The new radar and telecommunications system uses up considerably less energy than the current obsolete system, and its operation will need a few thousand fewer soldiers. International bids for the purchasing of these radars are expected to be issued this year. We have learned that the army is primarily expecting U.S., Italian, French, German, and British bidders. Depending on its equipment and performance, a radar costs between $8 and $20 million. The issuing of bids cannot be delayed, because the preparation of the location must begin at the beginning of next year in order to have the new system fully operational in the autumn of 1998.

The new radars are expected to provide long-range air surveillance for decades. According to the manufacturers, with adequate maintenance, the army can expect 20-25 years of constant operation.

The basic requirement of the upcoming tenders will be that the radars, as well as the telecommunications system and the new system in the control center must be fully compatible with NATO technology, so that Hungary will not have to carry out new investments of billions of forints if and when a positive decision is made on joining NATO. Szegedi told us that further airspace defense development projects are expected to be made after 1998. For example, the existing surface and low altitude surveillance system needs repair. There is also a need to keep movement along the open border areas under surveillance.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Holbrooke To Take 'Serious' Proposal to Belgrade

LD0410164195 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 4 Oct 95

[FBIS Translated Text] U.S. Assistant Secretary of State Richard Holbrooke and EU mediator Carl Bildt have held a new round of talks in Sarajevo with Bosnia-Herzegovina officials led by Alija Izetbegovic, president of the presidency of Bosnia-Herzegovina. Here is a report by HINA's correspondent, Ranko Mavrak:

U.S. Assistant Secretary of State Richard Holbrooke said in Sarajevo today that the Government of Bosnia-Herzegovina has offered a serious proposal for a cease-fire. After two hours of talks with the Bosnia-Herzegovina delegation led by Izetbegovic, Holbrooke stated briefly that he was taking this proposal to Belgrade immediately where he would consider it with Serbian President Slobodan Milosevic.

The U.S. assistant secretary of state intimated that he would be returning to Sarajevo tomorrow, despite the fact that before the beginning of his talks in the Bosnia-Herzegovina capital he said that he would be travelling from Belgrade to Rome to attend an international conference on the reconstruction of Bosnia-Herzegovina.

Holbrooke described his talks in Sarajevo today as very useful, mentioning that EU mediator Bildt also took part. Bildt had talks with Izetbegovic, in particular, on the problem of postwar elections and constitutional arrangements in the framework of the whole peace settlement.

None of the Bosnia-Herzegovina officials appeared before journalists, and details about the proposed cease-fire remain secret for the time being.

The U.S. negotiating team left for Belgrade at about 1600, which is where Russian Deputy Foreign Minister Igor Ivanov is at the moment. Holbrooke confirmed in Sarajevo that Ivanov had been invited to take a direct part in the current peace talks.

President Seeks U.S. Support To Resist Violence

AU0410174695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 4 Oct 95

[FBIS Translated Excerpt] At a ceremony in the Bosnia-Herzegovina capital city today, Richard Holbrooke, U.S. assistant secretary of state, officiated over the searing in of John Menzies, U.S. ambassador to Bosnia-Herzegovina. This ceremonial inauguration was attended by top officials of the Republic and Federation of Bosnia-Herzegovina, including Presidency members headed by President Izetbegovic, Federation President Kresimir Zubak, ministers of the government of the Republic and Federation, chairmen of the Republican and Constituent Assemblies, representatives of the General Staff of the Army of the Republic of Bosnia-Herzegovina and the Ministry of Internal Affairs, and top representatives of political parties, religious institutions, and cultural societies. The ceremony was attended by members of the diplomatic corps, General Rupert Smith, commander of UN forces in Bosnia-Herzegovina, EU Coordinator Carl Bildt, and members of Holbrooke's team at the peace negotiations.

At the Villa Konak, which will be housing the U.S. Embassy from today, Richard Holbrooke, John Menzies, and Presidency President Alija Izetbegovic spoke about the position of Bosnia-Herzegovina, its devotion to peace and democracy, and the joint efforts to attain peace .

A letter by U.S. Secretary of State Warren Christopher was also read out at today's ceremony.

Mehmedalija Sisic reports:

[Begin recording] [Sisic] [passage omitted] Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, gaves thanks for the kind words about our country and said the following:

[Izetbegovic] A great geographical distance divides our two countries. There are huge differences in territories, wealth, development, and history. However, there is a word that is common to both small Bosnia and large America and this magic word is freedom. Just like you, we believe that a man is born free or, as it says well in your Declaration of Independence, that people, and I quote, are endowed by the Creator with certain inalienable rights, among them life, liberty, and the pursuit of happiness. We deeply believe in these truly elevated words of the founders of America. Freedom has been built into the foundations of your statehood and was also what has kept us going over the past 40 months of struggle against apartheid.

As supporters of freedom, we believe that it is the right and duty of every man and woman to resist violence. In this resistance to violence, we justifiably expect the support and help of your great country. The violence of which Bosnia-Herzegovina is the victim must be ended. We do not want the war to continue, we want it to end. Our people want peace. [words indistinct] our people need peace. For this reason, it was with a feeling of responsibility and hope that we have supported the peace initiative initiated by your government.

I want to assure you that we shall cooperate in these efforts in the best way. The only thing we ask is for this peace to preserve Bosnia and to be just.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I cannot end this brief statement without mentioning three brave Americans who, while continuing to work for peace, recently lost their lives not far from Sarajevo. It is with the feeling of deep respect that I mention their names. They are Robert Frasure, Daniel Drew, and Josef (Culgwell). They have done the greatest thing that a man can do; they lost their lives while doing their duty. With these thoughts, Mr. Menzies, I greet you, welcome you to Sarajevo, and wish you success in your significant and honorable mission.

[Menzies] Thank you. [end recording]

Silajdzic Views Future Elections, Direct Voting

AU0410202295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 4 Oct 95

[FBIS Translated Text] Haris Silajdzic, prime minister of the Republic and Federation of Bosnia-Herzegovina, has been holding talks with a EU delegation headed by Carl Bildt in Zenica today. Our delegation also included ministers Hasan Muratovic and Muharem Cero. The talks dealt with the participation of the EU in the reconstruction of our country. This is what Prime Minister Haris Silajdzic told our journalist Velida Kulenovic for Bosnia-Herzegovina radio:

[Begin recording] Well, Mr. Bildt is a representative of the EU, which will most probably be our most important partner in the reconstruction of Bosnia-Herzegovina after the war. Therefore, this meeting is very important in itself.

On the other hand, I think that we spoke about two very important things today. The first one is democracy. We insisted on direct elections, on a direct and not delegated democracy. In my opinion, the more direct the vote, the more democracy and the less war there will be in Bosnia. I am absolutely sure that the people will not choose war and not choose fascists for their leaders. Therefore, we hope that the international community and the EU will insist on direct secret vote and elections under a complete control of the international community. We also talked about some details that will be very important and I do not think that it is the time now to discuss them.

As regards reconstruction, as you know, we are of the opinion that the reconstruction must be a direct and integral part of the final [words indistinct]. We will [word indistinct] an invitation by the EU [words indistinct] in Brussels to talk on the details of the reconstruction. Naturally, we are expecting something from them and the international community. We also expect to acquaint the international community with the damage and with our priorities, infrastructure needs, and so on. [end recording]

Silajdzic Views Role of Italy, Reconstruction

BR0310135995 Milan CORRIERE DELLA SERA in Italian 3 Oct 95 p 6

[Interview with Bosnian Prime Minister Hari Silajdzic by Maurizio Chierici in Sarajevo; date not given: "Italy Either Passive or Pro-Serb"]

[FBIS Translated Excerpt] *Sarajevo—"I have always hoped for a stronger Italian presence in our tragic situation. Italy should have performed a major role. It should have spoken forcefully in the United Nations and acted resolutely in the diplomatic field. We are neighbors, we face one another, with only a little sea between us. I do not believe that its lack of presence can be explained in terms of memories dating back to World War II. The time has come to correct this error. Italy is arriving late, but still in time..." This was Bosnian premier Haris Silajdzic speaking.* [passage omitted]

[Chierici] Thursday the foreign ministers of Bosnia, Serbia, and Croatia will meet in Rome. Italy is starting to stir...

[Silajdzic] Late, but it is stirring. Italy and Europe are seeking a way of saying: Forgive us, we were wrong, we failed to understand in time what was going on. No important decisions will be reached in Rome. Unfortunately they are always reached elsewhere. But the meeting is necessary so Italy can take its own place and adopt a solution—to halt the war by means of options guided by justice. Physical violence and fascism must be defeated. I know that some people in Italy will not like what I have to say, but this is the situation. However, I am sure that even those who turn up their noses are not in favor of ethnic cleansing and genocide and all other kinds of fascism.

[Chierici] Do you see fascism and Stalinism as the same thing ?

[Silajdzic] I cannot find the right name for the monster that has caused the terrible tragedies and destroyed our cities. The monster grew up in the hothouse of communism. Not even the communists realized that it was growing. The trouble is that in Italy the years of our war are interpreted according to group or partisan stances, whether of the Left or of the Right. I have spoken many times with many Italians. The Left is well aware that we are combating fascism, but it has failed to realize that there is no left-wing regime in Belgrade now. Any interpretation of the Bosnian tragedy viewed through Italian domestic politics distorts the real situation.

[Chierici] Your remarks suggest that there is a difference among the Italians—unconcerned politicians, and people who are concerned...

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Silajdzic] The people are another matter: Volunteers, solidarity, cooperation in the form of lines of trucks full of things that enable us to survive. Even the politicians have not been without anything to say... [Silajdzic ends]

He presented a theory that some of our own politicians have presented in the past: Ethnic cleansing is cruel but the only solution for stabilizing the situation in the former Yugoslavia. It is madness to plan to permit a Muslim state to exist in the heart of Europe, as though the middle classes of Sarajevo could be compared to the fanatics of some jihad.

"...I do not know by means of what connections, but this is Belgrade's theory that is emerging within some parties in Europe," he said.

[Chierici] Nobody is seeking any excuses, but Italy has had some domestic problems: This is why perhaps it has forgotten about Bosnia somewhat...

[Silajdzic] I understand that. But I consider Italy important enough to take part on an equal footing with the other powers in the definition of foreign policy.. Its role in Bosnia could have been defined before.

[Chierici] Something has been done: The NATO bases that subdued the Serbs are on the other side of the Adriatic...

[Silajdzic] I cannot picture Italy as an aircraft carrier. A great country must not agree to be sidelined.

[Chierici] The plan that the United States is about to publish envisages an injection of $4 billion to set Bosnia back on its feet. This money would come from Muslim countries (diplomatic language—CORRIERE DELLA SERA editor's note) and Japan. Is $4 billion enough?

[Silajdzic] It is far from enough, from what is needed. But it is important that the international community has included this kind of Marshall Plan in the agreement document. I will be going to Brussels to discuss it 12 October. I will have a meeting with the World Bank, which will be responsible for the technical administration of the plan.

[Chierici] Do the Japanese have an embassy in Sarajevo?

[Silajdzic] They do not.

[Chierici] They will have to open one in order to monitor the investments and rebuilding...

[Silajdzic] It is up to them. But I would like to return to the subject of Italy. There is another state within Italy: the Vatican. The pope has supported Bosnia from the very outset of the war. This ecumenism is important for our future.

[Chierici] Perhaps peace is returning; perhaps Sarajevo will start to be rebuilt. An inquiry conducted by Studio 99 sadly records the brain drain from Sarajevo. The figures are shocking. Some 67 percent of researchers and academics in the science field have left. More or less the same percentage of doctors, lawyers, magistrates, engineers, company managers, even singers and actors have left.. Will you urge them to return, and if so, how?

[Silajdzic] By saying: Both we and you are Bosnia. We are here; you are far away. Come home. [Silajdzic ends]

A few hours after the interview Tokyo replied directly to the prime minister: Sato Masabuni, the first Japanese diplomat to visit Sarajevo, arrived by air. Asked why he had come, he replied: "To assess the possibility of opening an embassy."

SDP Fears NATO Abandoning Gorazde to Serbs

AU0410185695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 4 Oct 95

[FBIS Translated Text] A regular conference of the Social Democratic Party [SDP] was held in Tuzla today. At the conference the latest U.S. initiatives for solving the situation in Bosnia-Herzegovina were discussed. Edina Isakovic reports:

[Isakovic] We have been reviewing reports by the foreign media on the recent successes by the Bosnia-Herzegovina Army and the Croatian Defense Council saying that waging an artificial war is a great deception, Dr. Sead Avdic, deputy chairman of the SDP of Bosnia-Herzegovina, pointed out today.

However, although NATO dealt a heavy blow to the Pale regime and Karadzic's Serbs, it is important to stress that even before the NATO strike, Karadzic's chetniks were in serious disarray, Dr. Avdic said, and added that the strength of Karadzic's Serbs forces had been overrated for a long time.

At today's news conference, the fate of Gorazde, the daily shelling of the town by Karadzic's army, and the killing of innocent civilians were particularly stressed. NATO's statements that Gorazde is impossible to defend from the air, Dr. Avdic said, lead one to suspect that this town has been abandoned to Karadzic.

To reach a final peace in Bosnia-Herzegovina, the main condition is to solve the issue of about 2 million refugees. Our negotiating team must intensify the negotiations on Bosnia-Herzegovina and one of the main conditions is to have borders between Bosnia-Herzegovina and Serbia sured up by NATO forces.

Dr. [word indistinct] Mustafa Silanagic, a member of the SDP's Main Committee, spoke today about the fate of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Brcko, saying that Brcko cannot be given to Karadzic, as it, just like Sarajevo and Gorazde, represents a guarantee of territorial integrity and the future sovereignty of Bosnia-Herzegovina. It is essential to keep Brcko within the Federation of Bosnia-Herzegovina, as it is a town which represents a natural exit for the Federation of Bosnia-Herzegovina to the Republic of Croatia and Europe.

As was said at today's news conference, one of the SDP's [words indistinct] for a better tomorrow will be with Dr. Ejup Ganic's return to political life, as, it was said today, his absence has been greatly felt in this past period.

Russian Mediator: Serbs Ready for Cease-Fire

AU0510130195 Paris AFP in English 1245 GMT 5 Oct 95

[FBIS Transcribed Text] Belgrade, Oct 5 (AFP)—Bosnian Serbs are ready to accept a ceasefire, Russian deputy Foreign Minister Igor Ivanov was quoted as saying on Thursday [5 October] following talks with Bosnian Serb leader Radovan Karazic.

Speaking in Bijeljina, northeast Bosnia, Ivanov also said Bosnian Serbs were "determined to settle" the issue of opening routes around Sarajevo and those to the Moslem enclave of Gorazde, in eastern Bosnia, as demanded by the Bosnian government.

"The Bosnian Serb comments are very important as they go in the direction of peace," said Ivanov cited by the news agency SRNA.

"We have had an exchange of views with the leaders of the Serb Republic on a series of questions linked to the peace process and on the ceasefire. We have concluded it is necessary to organise as quickly as possible a peace conference," added Ivanov.

He said serious work had been done by all sides during the search for peace and added: "Now it is necessary to end the efforts and reach as quickly as possible and in any case before winter a peaceful solution."

As part of the peace drive US Assistant Secretary of State Richard Holbrooke was due in the Bosnian capital Sarajevo on Thursday to try to narrow the gap dividing the Bosnian government and Bosnian Serbs over a ceasefire.

Ivanov, who met Serb President Slobodan Milosevic in Belgrade on Wednesday before departing for the Serb Republic, was scheduled to leave Belgrade on Thursday for Rome, where members of the five-nation "contact group" including Moscow were to hold talks.

Koljevic Claims U.S. 'Does Not Really Care'

AU0410203895

[FBIS Editorial Report] Banja Luka Srpska Televizija in Serbo-Croatian at 2015 GMT on 3 October carries in its approximately 35-minute weekly program "Aktuelni Intervju" (current events interview) an interview with Nikola Koljevic,"vice president of the Serb Republic," by Nikola Deretic.

Koljevic begins by talking about his impressions of the New York talks in which he participated and says that two most important issues "discussed in the corridors" were "the organization of the Muslim-Croat Federation" and "relations between Russia and the United States." Koljevic says that the two major powers are determined to end this war and that "those who think this war will go on for ever have already started paying for that," but emphasizes that they should not take the Bosnian Government offensive lightly. He proceeds to say that "we must now act as they do. If the factual situation is to draw maps, we should not allow the use of double standards. We must preserve the factual situation and we have lately shown that we are able to do that and that the fourth blitzkrieg has come to nothing, even though they used the West Point doctrine. We must show that, if they want to continue this war, we will not make any territorial concessions."

Koljevic goes on to comment on the "conspicuous absence" of a cease-fire agreement in the New York document and says that "at the time of the preliminary talks, the situation on the ground was not favorable enough for the negotiators, as it did not guarantee success." He goes on to say that "there is a connection between the NATO air strikes and the Muslim-Croat offensive" and that they were basically designed to "create a better situation for the other side, so that a solution on the maps could be worked out without having to appeal to the Serbs to leave certain areas." Koljevic says that "if we are active enough at the front, peace will be closer, for it will be both in the interest of the international community and the other side not to lose. Now they are losing on the front. On the other hand, peace will be a test that will show how serious those constitutional principles are."

Koljevic goes on to comment on the framework of the future Bosnian state and says that the United States "does not really care what will happen to Bosnia-Herzegovina in the future" and characterizes that as "a very democratic approach," because the Americans only want to set a "roof structure," leaving all other matters to be settled through agreement by the constituent nations. Talking about future ties between the two components of the new Bosnian state, Koljevic says that "personally,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I am not against a joint air traffic control ministry, but I am against joint financial institutions, as you know that every financial dependency ultimately leads to political dependency. That is why I think that the American approach is a very wise one, while, on the other hand, it means that we must continue to fight only by political means, hopefully not by military means, and exercise extreme caution during any political talks."

In response to Deretic's question about Croat-Muslim relations, particularly a statement that Tudjman recently made in France when he said that "the Muslims are not a nation," Koljevic says that "it is up to a particular group of people that exhibit strong cohesion to determine whether or not it is to be called a nation."

Commenting on Russian General Zhurbenko's statement that "Russia will never allow the Serbs to be buried," Koljevic says that "it is now up to us to be joined together" and that "the Muslims have their Islamic Conference." He says that "Russia will not abandon its Serb brothers and that it takes this very seriously."

At the end of the interview, Koljevic dispels rumors that "the maps have already been drawn" and that "a political solution has already been worked out" by saying that "our enemies would not attack us if they were given that territory on the map," characterizing the rumor as "propaganda." He says that the Croats have been carefully studying the Serbs and have exploited the fact that the Serbs are "gullible" and "attached to their homeland."

Serb Official Condemns 'Muslim Offensive'

AU0410140395 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 3 Oct 95

[FBIS Translated Text] Today, Momcilo Krajisnik, chairman of the Serb Republic National Assembly, accused the Muslim side of jeopardizing the peace process in former Bosnia-Herzegovina by launching an offensive on the Sarajevo front. After a meeting with Antonio Pedeia, head of UNPROFOR [UN Protection Force] civilian sector for former Bosnia-Herzegovina, Krajisnik warned that, today, from the exclusion zone, the Muslims mounted an offensive on Serb positions in the Sarajevo area, thus seriously jeopardizing peace in Sarajevo.

Krajisnik said that the Muslim offensive was a direct consequence of Izetbegovic's refusal to accept a global cease-fire agreement and his blackmailing attitude toward peace efforts. Assembly Chairman Krajisnik stated the following immediately after the session held in Pale: [Krajisnik] Our opinions concurred on almost all problems. Mr. Pedeia said he was prepared to do everything to prevent the escalation of situation in Sarajevo and contribute both to greater freedom of movement and avoidance of conflicts that would result in something we do not want to see happening in Sarajevo and Bosnia-Herzegovina in general.

Karadzic Comments on Role of Police, Borders

AU0410133595 Banja Luka Srpski Radio Network in Serbo-Croatian 1800 GMT 3 Oct 95

[FBIS Translated Text] There can be no democracy without the police, for a state cannot develop in a state of chaos, emphasized Serb Republic President Radovan Karadzic, addressing the members of the Banja Luka Police Academy, which he visited together with Interior Minister Tomislav Kovac. Academy Principal Mladjen Mandic informed the Serb Republic president and supreme commander of the Serb Republic Armed Forces about the academy's activities, while Radovan Karadzic, commending members of the Interior Ministry for their outstanding contribution and the courage they had shown in this war, reminded his audience of the heroic days at the beginning of the war when the Serb Ministry of Interior was established in 1992. It was crucial that the Serb nation in former Bosnia-Herzegovina was defended within 45 days. President Karadzic said the following:

[Begin Karadzic recording] Those 45 days were our nightmare, a chaos in which we could have lost most of our nation. Our people could have been slaughtered and killed as was planned. From Sarajevo to Podrinje, Bratunac, Prijedor...there were lists of who was supposed to eliminate which Serbs. It was the police that reacted first and protected the people. [end Karadzic recording]

Speaking about the current situation in the state and about future goals of the Serb Republic Interior Ministry, Radovan Karadzic emphasized:

[Begin Karadzic recording] We can guarantee that we will keep the territory we liberate. In other words, we must do our best to liberate it. We have our plans what to liberate. Those are our areas. I hope we will get some areas by political means. We must not recognize the conquest made after 30 August, for the bombardment followed after that, or at least not after 8 September, for we were accepted as the Serb Republic in Geneva then and they were accepted as a federation.

If we persist, the conference will soon take place, but we will lose everything if we yield. There is no doubt about it. That is why we moved here, most of us, except

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

for Assembly Chairman Krajisnik and two or three ministers who remained in Pale, for Pale is no longer a problem. We must now solve this problem and we will not leave here until the problem is solved. Minister is also here and most of his aides. [sentence as heard] We had to be in Sarajevo when it was bombarded, for the people want to know where their leadership is at all times. We were there all the time. We must persist, for there is no happiness for those who do not have their own state. I am convinced and I hope—thanks to your colleagues in the police force, thanks to the minister and his commanders—that we will succeed and that they will contribute greatly to the efforts of our army to keep and expand our borders and that we will convince the world that the war will last for a long time if they chose the military option and that they better opt for a political solution. [end Karadzic recording]

Serb Republic President Karadzic visited the premises of the Banja Luka Police Academy and was pleased with what he saw. He wished the young policemen the best of success in their future career.

Commentary: Peace Depends on Defeat of JNA

AU0410172395 Sarajevo OSLOBODJENJE (Bosnian) in Serbo-Croatian 26 Sep 95 p 2

[FBIS Translated Text] One of the illusions of this war is that it is possible to bring this conflict to an end exclusively by political means. Today, when the spiral of war is obviously on the wane, the extent of this illusion can be clearly seen. It is not necessary now to make a detailed analysis of the relationship between war and politics or of the combination of military force and strength. It is, however, necessary to return to a significant aspect of this war, which has been very much present both inside Bosnia and outside it, and not only during the last three and a half years but also before the war.

This aspect can be called the former Yugoslav People's Army [JNA]. The designation "former" relates only to its name and structure, since it is still a military power, though admittedly not as brutal, forceful, or strong as it was in 1992. It is neither a new nor an original assessment to state that the former JNA is one of the initiators of the present war and certainly one of those most responsible for everything that has happened. But we do have to ask ourselves whether this assessment is a relatively precise definition of the role that the former JNA has played in the war.

In the time to come, this assessment might be corrected. Not in the sense that this opinion could be watered down; on the contrary, a more radical position could be assumed not far from the view that that former JNA is the principal culprit and initiator of the evil that we have had inflicted upon us.

Especially since 1980, the JNA turned into a force above society, misusing its special position by initiating a conspiratorial control of both the society and state that it was supposed to protect and defend, instead of being controlled by them. This was a first class example of such misuse and there is, for example, no distinction whatsoever from what Pinochet's military junta did in Chile in 1973, the only difference being that Pinochet's army was fighting against an enemy in the country itself and did not have any expansionist ambitions.

What is important is the goal that the JNA wanted to achieve. Based on its assessment (it is unknown whether the assessment was made by the JNA or was imported from somewhere) that in the late 1980s there would be a collapse of the communist multinational structures, the consipiratorial leadership of the former JNA decided to prepare for these changes. It was agreed to start from a "Serbian basis" and to go through the changes by achieving a solution to the "Serbian problem." The army wanted to have the framework of the state and, having opted for this, it then decided how to achieve this.

This was the symbiosis of the old Serbian imperialistic and hegemonistic idea, which had been defeated by history, and a pragmatic military program. We know something about how this plan was developed over the years and how all impediments to it, both in society and in the army itself, were removed, since not the whole army was conspiratorial. The most important fact is that the junta intended to create its state with military force, which means through occupation and destruction. To occupy and create a new state and draw new borders, a huge military force had to be used. This was necessary for another reason too: To achieve this aim, the army had to prove that it was a first class military power of regional importance. Through its occupation, it had that satisfaction and confirmation that it was the top military power in the region. As such a power, it could dictate practically everything: both domestically (in the territories that it occupied) and externally in the neighboring Balkan states and even in influential European countries.

Any aggression, especially when its core is genocide, total destruction, and ethnic cleansing, must also be defended in a special way. The criminals threw down their gauntlet directly in front of the whole international community and the principles on which international order is based. But such a force can, in spite of its military gains, find itself in an extremely complex situation, in which it has to resist all possible pressures, like a dragon with hundred heads. Such a force can

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

give in, have its weaknesses exposed, and suffer local defeats, too, but it must not allow circumstances to be created that would directly lead to the reduction of its importance as a military power. To retain its position, it can only use its military force. This forces us to conclude that, if we want to annul the results of aggression and establish peace, this is possible only if we break the military force with its megalomaniacal ambitions that dared to commit such horrible crimes to achieve its ambitions.

In concrete terms, peace in the Balkans and Bosnia cannot be achieved through negotiations if the former JNA remains a military force of regional importance. To break it and reduce its power, military assets are necessary rather than political ones—the same assets that the former JNA has been using to retain its position as a mighty force.

This army has become a cloned monster that must be destroyed; in other words, through military defeat it must be reduced to the strength of just one of the Balkan armies, will not threaten others with its huge military apparatus, and will have no hegemonic plans.

It seems improbable that this can be achieved through political means. The more clearly the importance of this is recognized, the better for the peace process!

Spokesman Assesses 'Changed Military Situation'

AU0310144595 Budapest MAGYAR HIRLAP in Hungarian 3 Oct 95 p 9

[Interview with Ferid Buljubasic, spokesman of the Army of Bosnia—Herzegovina Chiefs of Staff, by Janos Kobanyai; place and date not given: "Sarajevo (Flash) Report—The Second Half of the War"]

[FBIS Translated Text]*According to the spokesman of the Bosnian Chiefs of Staff, although peace has come much closer as a result of NATO's actions and the U.S. mediation, what we can rather expect now is the second half of the war. I met Ferid Buljubasic in January this year in dim candle light, immediately after he came in through the tunnel (the 800-meter-long tunnel dug under Sarajevo airport that means life for Sarajevo) from Gorazde where he had led the defense of the surrounded town. He is now spokesman for the Chiefs of Staff.*

[Kobanyai] How did the NATO air strikes affect the military situation?

[Buljubasic] The step was made which can lead to balancing the power structure, therefore, the effect is definitely positive. The Serb forces were forced to withdraw 251 heavy weapons, but 100 such weapons can still be found within the critical 20 km zone. The extremely precise attack destroyed the radar and communications system of the Bosnian Serbs, making it more difficult for them to move their troops, which still have a big numerical superiority. Although some of their ammunition depots and bridges were hit, they are still not short of ammunition. This was the first time our enemies suffered such a destruction during the three and a half years of the war. Taking the opportunity of this shock, our troops under joint command with the Croat forces launched a rather successful offensive. As a result, Bosnia-Herzegovina's army reoccupied 4,100 square kilometers and the troops under Croatian command reoccupied 2,000 square kilometers. The offensive is still continuing although its speed has slowed a lot so that politics can take over the role of weapons. Substantial fighting is still going on in northern and central Bosnia, more precisely in the area of Doboj, Bosanski Novi, and Banja Luka. In the case of the latter town, we would like to achieve the demilitarization of the town by political means.

[Kobanyai] What kind of cooperation do you have with the Croatian troops?

[Buljubasic] It is good in the military area, with minor tensions; it is not so good in the political area. The Croatian government's decision to deport 200,000 northern Bosnian refugees to the newly freed areas puts us into a very difficult situation. It is obvious that we have not yet pacified this area, the fronts are still flexible, therefore, this area is still unsafe for starting a new life.

[Kobanyai] Has the suddenly changed military situation brought the possibility of a peaceful agreement closer?

[Buljubasic] It definitely has. There are three reasons: This peaceful settlement is coming from the United States. From a power that is able to deploy forces to support its ideas. The Bosnian Serbs now have less than half of the territory of Bosnia-Herzegovina, are in a bad military situation, and are morally shaken. Therefore, it can be expected that they will rescue what they can with an agreement. Strangely, this strike was also good for Karadzic and Mladic: Now they are saying that the world's strongest power, rather than we, are defeating them. I would like you to write down that we are fighting against the chetniks, rather than the Serbs. We would be happy if the Serb population, including the soldiers, remained in their dwellings. After the war, we only do not want to live together with the war criminals as defined by The Hague norms. I also have to say that if we had had the chance to choose between the NATO air strikes and the lifting of the arms embargo, we would have considered the latter more advantageous for us and the world.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Kobanyai] From a military point of view, how do you assess Russia's reaction to the changed situation caused by the NATO attack?

[Buljubasic] Only Russia can prolong the Bosnian war, which is perceivably nearing its end. We have known in the past, too, from where and along which routes—mostly through Romania and Bulgaria—the endless supply of ammunition, armament, and mercenaries has been arriving. This assistance has become even more intensive in the past two weeks.

[Kobanyai] Considering how tragic the cause of Bosnia and Herzegovina seemed after the fall of Srebrenica and Zepa in the summer, the situation seems much more hopeful now.

[Buljubasic] From a military point of view, the tragedy of the two towns is insignificant—both because of their strategic position and because their defense was not a task of our army. However, the impotence and, in fact, treason, of the UN forces was a warning lesson, and the genocide implemented there showed the real face of the enemy.

[Kobanyai] Is the army preparing for peace?

[Buljubasic] We must analyze our situation on the basis of reality and we must not slacken until we make a well protected peace. In my view, the war has now entered its second half.

[Kobanyai] And another four years of war are to follow?

[Buljubasic] The second half of World War II began in the spring of 1944.

Generals Delic, Dudakovic Meet in Bosanska Krupa

LD0410212295 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1900 GMT 4 Oct 95

[FBIS Translated Excerpt] A report on the visit by Army General Rasim Delic, commander of the general staff of the Bosnia-Herzegovina Army to the zone under the control of the 5th Corps.

In Bosanska Krupa today Gen. Delic met, among others, 5th Corps Commander Division Gen. Atif Dudakovic, which best serves to deny rumors about the wounding of Gen. Dudakovic.

Apart from this, we will also show clips that deny the lies of the aggressor propaganda and those of some other pro-Serb media in the world on alleged conflicts between the Bosnia-Herzegovina Army and the Croatian forces. The best illustration are shots from the streets of Bihac where Gen. Delic and Gen. Zvonimir Cervenko, commander of the Croatian Armed Forces, are seen together.

Gen. Delic and his aides visited the zone under 5th Corps control over the past few days. [passage omitted]

Before departing from the liberated Bosanska Krupa, Gens. Delic and Dudakovic made the following statements for Bosnia-Herzegovina Radio and TV:

[Begin recording] [Delic] I have managed to gain insight into everything the 5th Corps did over the past month. It is the biggest army success of the Bosnia-Herzegovina Army. As I have been saying lately, the chetniks managed to consolidate their ranks on certain fronts, trying to regain part of the territory by mounting a counteroffensive. There have been some tactical movements, but on the whole this part of the Bosnia-Herzegovina front is stable, and conditions permitting, we will not remain on these frontlines. Naturally, our goal is to advance.

[Dudakovic] We are in Bosanska Krupa today. This is one of the newly liberated towns. On behalf of 5th Corps fighters I hope that next time we will be reporting from some other liberated town. [end recording]

Army, Croats Deny Reports Dudakovic Injured

AU0410160695 Paris AFP in English 1536 GMT 4 Oct 95

[FBIS Transcribed Excerpt] Zagreb, Oct 4 (AFP)—Bosnian Moslems and Croats have clashed in northwest Bosnia in skirmishes in which at least seven troops were killed and a Bosnian army general was slightly injured, a European Community Monitor Mission (ECMM) source said Wednesday [4 October].

General Atif Dudakovic, who has parlayed assistance from the Croatian army into the most successful military campaigns in Bosnia, was injured near the Serb-held town of Mrkonjic Grad probably on Sunday, a press advisor to the Monitor Mission said.

But Bosnian army sources denied the clashes between the supposed allies had occurred and stressed that Dudakovic had not been injured.

"It's a complete lie," Amir Sulic, a spokesman for the Bosnian army Fifth Corps, told AFP. "The best proof that Dudakovic is not injured is that he is out in the field."

A spokesman for the Bosnian Croats, Commander Ivica Peric, told AFP in a telephone interview from the northwest Bosnian town of Bihac he did not believe Dudakovic had been wounded.

"This information defies all laws of intelligence," Peric said. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

ICRC Assesses Situation in Banja Luka

LD0410204195 Belgrade TANJUG in English 1825 GMT 4 Oct 95

[FBIS Transcribed Text] Belgrade, Oct. 4 (TANJUG)—The International Committee of the Red Cross (ICRC) has stated that the humanitarian situation in the region of Banja Luka, northwestern Bosnia, is still critical.

A statement issued by the ICRC office in Belgrade on Wednesday said more than 100,000 Serb refugees who had fled before the Moslem-Croat offensive in September had been accommodated in 20 municipalities of the Banja Luka region.

The majority of the refugees have been accommodated in private houses where refugees who have fled war zones at an earlier stage are already living and with whom they share meagre meals, the statement said.

A large number of the houses have been damaged, have no roofs or windows, the statement said. The ICRC is especially concerned about the conditions in which refugees live. The winter will only make it harder for them, so that the ICRC will have to adjust its activity in coming weeks to the refugees' needs dictated by the new season, the statement said.

Serbs Charge Bosniak Aid Workers With 'Treason'

AU0510111595 Split SLOBODNA DALMACIJA in Serbo-Croatian 5 Oct 95 p 32

[Report by V. Gotal: "Chetniks Arrest Merhamet Leadership"]

[FBIS Translated Text] Zagreb—The expulsion of the non-Serb population from the occupied territory of the Banja Luka region has entered its final phase. The remaining population is threatened with murder and arrests. Following a whole day of abuse and house searches, the Banja Luka Merhamet [humanitarian organization] leadership, with Chairman Nijaz Karaselimovic, together with the three members of the Prijedor Merhamet, and one person from Sanski Most have been arrested. This was stated at the news conference organized by the Bijeli Put [humanitarian] organization on Tuesday.

The trial of the arrested Merhamet representatives, and these are mostly people of advanced age, has been announced in Banja Luka for 5 October. The arrested people are facing charges of spying and treason, that is, they are charged with having been in regular contact with the Bosnia-Herzegovina Embassy in Zagreb, the ICRC [the International Committe of the Red Cross], the Knights of Malta organization, and the Danish field hospital in Banja Luka. Although there was a proposal at the end of July to exchange 17 civilians from the Banja Luka prisons—among whom is [Bosnia-Herzegovina Assembly Deputy] Irfan Ajanovic, who was arrested in 1993—the Serb authorities changed their minds at the last moment, and set a date for a court hearing. One should add that the Bosniak humanitarian workers are facing a death sentence for the acts listed in the charges brought against them by the military court in Banja Luka, Dr. Slobodan Lang said. The representatives of the Banja Luka Merhamet have sought adequate assistance.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Granic Views 'Croat-Bosniak Offensive,' Peace

AU0410094095 Ljubljana OSLOBODJENJE (Europe Edition) in Serbo-Croatian 28 Sep-5 Oct 95 p 4

[Interview with Mate Granic, Croatian deputy prime minister and foreign minister, by Josip Vricko and Darjan Zadravec; place and date not given: "Bosniaks Will Be in the Parliament"]

[FBIS Translated Text] [OSLOBODJENJE] Immediately after the Tudjman-Izetbegovic-Zubak meeting, we could hear your statement about the agreed suspension of the Croat-Bosniak offensive against Banja Luka. That decision looks surprising, particularly when one knows that the commander of the 7th Corps of the Bosnia-Herzegovina Army, General Alagic, had said several days beforehand that he would review his troops in Banja Luka, and the Deputy Prime Minister of the Croatian Government, Bosiljko Misetic, said that that city was of exceptional strategic importance for the Federation of Bosnia-Herzegovina. Could you comment?

[Granic] This decision, made on the mentioned meeting in Zagreb, in agreement with the United States and the support of the European Union, was made out of several reasons. On one side, Bosnia-Herzegovina Army forces will probably continue with some local operations around Ozren and in western Bosnia; the forces of the Bosnia-Herzegovina Army and Croatian forces have by now liberated around 50 percent of the territory of Bosnia-Herzegovina. On the other hand, they now have a wonderful geostrategic position around Banja Luka. However, there is a large number of refugees in Banja Luka....

[OSLOBODJENJE] Have the Serbs done that intentionally?

[Granic] No, I do not believe that they did anything intentionally. They were simply surprised at the strength of the Bosniak-Muslim and Croat forces, and all of a sudden their defense system collapsed. However, now when the Federation of Bosnia-Herzegovina, meaning Croatia as well, has an exceptionally convenient position in the negotiations, we made the mentioned decision, because of a huge number of refugees. As you can see, despite some initiatives of the Russian Federation, this offensive has been accepted by the international community and it has been seen as a way to help expedite the peace process, so that the Republic and the Federation of Bosnia-Herzegovina, like the Republic of Croatia, is now entering the final phases with much stronger arguments. Once all that is kept in mind, one can see another important reason for the mentioned decision to suspend the offensive—namely, the fall of Banja Luka and the exodus of 250,000 people, or more, would quite certainly lead to the destabilization of Serbia and the involvement of Serbia in military operations, which in this moment would lead us away from the finalization of the peace process. In this situation—I stress once again—the Republic and the Federation of Bosnia-Herzegovina and the Republic of Croatia have achieved both successes on the ground and a strong negotiating position.

[OSLOBODJENJE] The United States has taken over the leading role in solving the crisis in Bosnia-Herzegovina. Verbally it insists on an undivided Bosnia-Herzegovina, but the impression is that Bosnia-Herzegovina has nevertheless been divided. Forty-nine percent of the territory for Serbs is more or less undisputed; but the flags of "Herzeg-Bosnia" have been put up in Grahovo, Glamoc, Drvar, Jajce, etc. Could you, as one of the most constant negotiators, who has participated negotiations from the very start, say if President Izetbegovic has agreed to place all these towns under Croatian control, i.e. the control of "Herzeg-Bosnia," because it was Croatian forces who liberated them?

[Granic] It is very hard to answer that. First, Croatian forces came to Bosnia-Herzegovina after the Split declaration, at the call of the Government of the Republic and the Federation of Bosnia-Herzegovina, and all the operations were conducted with mutual consultations, with the purpose of liberating the territories of the Federation of Bosnia-Herzegovina. In the same way, at the Zagreb meeting it was agreed to talk about additional cantonal demarcations, without changing the federal constitution, i.e. the Washington agreement. Those talks are only to come. As for the present situation, it is perfectly normal that those who liberated something hold it under their control. It is very important to have firm control at this time, for several reasons. As for the relationships between the federation and the Serbs, we have a completely clear positiony on what the future constitutional arrangement of Bosnia-Herzegovina will be like, without questioning the territorial integrity, sovereignty, and continuity of Bosnia-Herzegovina. In other words, in this moment there will be two types of negotiations: Negotiations within the peace initiative, on what the relationships between the two entities will be like, and there first are some first ideas about that already, and, on the other hand, we will have negotiations between Bosniaks and Croats on the arrangement of the newly liberated territories. As for your question, it is perfectly clear that the realities of war, the realities on the terrain and the realities within the international community, that the ethnical cleansings, crimes, and all that happened influenced the fact that the constitution will no longer be the way it was before the war. In the same way, the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

idea of the "Greater Serbia" has not managed to prevail. What sort of relationships will be established—that is now a matter of negotiations.

The Federation of the Future

[OSLOBODJENJE] Can one say that so-called humane migration has in a way been verified?

[Granic] The policy of ethnic cleansing was introduced by the Serbs. It was first carried out by the Serbs in Croatia, and after that, to a more drastic extent, in Bosnia-Herzegovina. Now, the Serb population has fled after some territories were liberated, and those, unfortunately, are the realities of war. The final peace document will certainly include the position that all refugees should return to their homes, or be compensated. That, of course, will be one of the tasks of the peacekeeping forces—probably NATO forces—which will come in and enforce the peace agreement. It is another question whether Croats and Muslims will, for example, return to Bijeljina, or whether Serbs will return to some other places that will belong to the federation, but the peace agreement will include that basic, fundamental right of return.

[OSLOBODJENJE] One of the conclusions of the latest meeting on the highest level in Zagreb was that "the representatives of the Croat and Bosniak nations agree to start with the integration of the functions of the republic and the federation without delay." Talking about that problem, do Presidents Izetbegovic and Zubak think the same?

[Granic] I believe that there are no problems on that basis. However, what has not yet been solved, what has been the main problem is that on the territory of the federation there are three regimes—those of the Republic of Bosnia-Herzegovina on the territories controlled by the Bosnia-Herzegovina Army, those of Herzeg-Bosnia on the territories controlled by the Croatian Defense Council [HVO], and those of the federation, which practically has least power. There is only one future for Bosniak-Croat relations: A firm federation—and everything else must come from that. In the transition period, according to the Washington agreement, the Republic represents the state on the international plane, until it comes to the implementation of the agreement that will be reached on the relationships of the two entities within Bosnia-Herzegovina. But the essence is to create a strong Federation of Bosnia-Herzegovina, or rather a strong Federation of Bosnia-Herzegovina connected with the Republic of Croatia, and the models of relationships to be developed are based on interests—economic, strategic, military, political, and other interests. The best model resembles that of the European Union. So, we talked about possible ways of establishing the unity of that power, i.e. to avoid having several regimes, and to avoid conflicts about competences between the republic and the federation. That was what we talked about in Zagreb, during the meeting of Presidents Tudjman, Izetbegovic, and Zubak. As for the relationships with the Serb entity, it will be determined in the final agreement and in the Constitution of Bosnia-Herzegovina, which will not contradict the Washington agreement. However, it is true that it was agreed on the 51:49 percent proportion, that is, the decision of the Geneva conference, but, in any case, it is the realities on the ground that count. All that has happened lately will in a positive way influence the possibility of reaching an agreement on maps.

The Split Turning Point

[OSLOBODJENJE] After the meeting in Zagreb, President Izetbegovic sent a letter to President Tudjman in which he tries to obtain one place in the [Croatian] parliament for the Bosniaks living in Croatia. Can you say something about that?

[Granic] President Izetbegovic's letter arrived after the adoption of new election laws. But, in any case, President Izetbegovic's letter will be seriously considered. I believe that there will be Bosniaks in the new parliament.

[OSLOBODJENJE] How do you assess the prospects for the reintegration of the remaining occupied part of Croatia in eastern Slavonia, western Srijem and Baranja? How long can Croatia wait for that problem to be solved in a peaceful way?

[Granic] As for eastern Slavonia, western Srijem, and Baranja, there are no longer any unclear questions for us. The Republic of Croatia is asking for the solution of the problem of eastern Slavonia, western Srijem and Baranja to be a part of the integral peace "package," meaning that the sanctions against Serbia cannot be lifted only on the basis of its bilateral agreement with Bosnia-Herzegovina on mutual recognition, but that the problem of the former Sector East has to be solved as well. We are prepared to have constructive talks during the whole of this peace process, i.e. until the mandate of the UNCRO [UN Confidence Restoration Operation in Croatia] ends, but we can no longer allow their buying of time, and postponing the solution. As long as that issue is not solved, Croatia and the entire region will not be stable, and practically all European integration processes of the Republic of Croatia, investment process, and so on, will be blocked. I will give you one example: Before the "Storm" operation, we talked with a reputed French company about concessions for the building of a highway in Istria. We put out our conditions, which were not accepted

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

at the time, but after the successful completion of the "Storm" operation, our conditions were accepted. In other words, we know that if we solved the problem of eastern Slavonia, Croatia will be in a different position, Croatia will be able to achieve more for itself and for Bosnia-Herzegovina. Just like we must keep in mind all that Croatia has by now undertaken, we must not forget that it helped Bosnia-Herzegovina in the worst of times. Before the Split agreement the war position of the Republic and the Federation of Bosnia-Herzegovina was the worst. Changes made then have resulted in all this, and I hope that we will continue in that direction. But it is clear that all open issues should be discussed openly and cleared to the end.

[OSLOBODJENJE] Finally, can you say something about the chances of Milosevic agreeing to internationally recognize all the states created after the disintegration of former Yugoslavia?

[Granic] I believe that there are chances for that, because the peace process cannot be brought to an end without mutual recognition, and I believe that it is now in Milosevic's interest for this negotiating process to be brought to an end as soon as possible.

Opposition Parties View Transfers to HDZ

95BA0370B Zagreb HRVATSKI OBZOR in Serbo-Croatian 4 Sep 95 pp 10-12

[Article by Milan Jelovac, prepared from interviews with and statements made by Croatian party representatives Damir Zoric, Bozo Kovacevic, Mate Mestrovic, Stijepo Martinovic, and Velimir Terzic; places and dates of interviews not given: "Why Do You Like the HDZ?"]

[FBIS Translated Text] Violent tectonic disruptions have been shaking the Croatian political scene, more precisely, the opposition side of it, in recent days. The epicenter of this shock, as it were, to political parties, is the HSLS [Croatian Social Liberal Party], the largest opposition party, which in just five days has lost several strong people. Damir Zoric, Mate Mestrovic, and Nikola Grabic are the most distinguished names, but many former Liberals from Split, Osijek, Varazdin,...have also put on the uniform of the incumbent party. The trading season is in full swing, the corridors are announcing sensational new trades, the Croatian political scene is becoming more and more reminiscent of the basketball draft. The winners are silent and smiling, the losers are sizzling and grumbling, sticks and stones are flying. There is a shower of accusations, but proof of "dirty tricks" is not being presented. Announcements to the effect that "since 'Operation Storm,' nothing is the same as it was" have been fully justified, but it seems that "Operation Storm" has tipped Croatian (opposition) parliamentarians upside down. Mestrovic, Zoric, and Grabic, then, have left the HSLS and joined the HDZ [Croatian Democratic Union]. Liberals in Split have changed uniforms, so the HDZ now has a majority on the City Council, Elio Martincic has left the HND [Croatian Independent Democrats], and is independent at the moment.... On the other hand, Dr. Vladimir Primorac has returned to the HSLS, and, according to certain well-informed sources, it is only a matter of time when Mladen Vedris will also put on the yellow uniform; he supposedly did not want to join the HSLS until its ranks were abandoned by Damir Zoric, in the past a founder of the "yellow populists." Supposedly even the HNS [Croatian People's Party] could gain a parliamentary deputy, no more or less than Ante Prkacin of the HSP [Croatian Rights Party], who for the present does not want to comment on these rumors.

So, the trading period is in full swing. The motives for the spectacular trades are probably well known to the "players" themselves. In any case, freedom of choice is a fundamental human right.

Damir Zoric (HDZ): An Entirely Predictable Act

[Zoric] Those who are familiar with my political involvement were not surprised when I switched to the HDZ. This is a completely normal and predictable act. It is extremely natural that I should have found my ideal of political work and activity elsewhere. I came to a party whose profile, people, and world outlook are congenial to me, and this is quite clear. If there is something of which I have heard enough in recent years, it is the words of my former party colleagues, "You do not belong here," and of the people in the HDZ, "You are ours." On many issues, I found it easier to agree with the people in the HDZ than with the Liberals. Why should we go on quarreling when it has been repeated several times from the top of the party that anyone who is dissatisfied, anyone who wants to go elsewhere, should go ahead, because that would make it easier for both him and the party. And that is what I have done, I simply do not see what is all that dramatic in it. This is a normal and understandable act.

[Jelovac] What was the crucial thing that did not suit you in the HSLS, and that you have found in the HDZ?

[Zoric] In short, it is just that there was meandering over Bosnia and Herzegovina, over Croatia, over certain plans. There were too many unfair relations. Surely, I would not have called myself a mole in that party, but that is what I was called by some who until yesterday were my fellow party members. I told them straight out: "If opposition to certain international plans, and favoring of Croatia's effectiveness, is being a mole, then I acknowledge that I am a mole."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Jelovac] You are referring to the Z-4?

[Zoric] Among other things. Look at my interviews from a year ago, and you will see that they were mainly responses to statements made by the party's leading figures. On many issues, I won out over them, and the final documents of that party, which were made public, were often orientations that amazed observers. For instance, the HSLS was even favoring the war option and departure of the UNPROFOR [United Nations Protection Forces].... By and large, the road up to that point was very difficult, very thorny, I remember quite well the people who were against that. I am convinced that I did the opposition a good turn. Whoever is a Liberal should be in the Liberal Party, whoever is a populist let him be in the People's Party.... I think that all of that is clear here. That is how people took me, and I am not sorry about that at all. This was not on the basis of any formal linkage, but of real like-mindedness based on ethnic issues. And I am sorry that it is only the HDZ that has been fundamental in preaching this kind of political orientation.

And those others who have been saying stupid things about how the HDZ recruits people with money, with positions, and with shares of stock, Tomcic, for example, who says this in NOVI LIST, I would ask whether the HDZ recruited him with money, position, and shares of stock when he was a minister? He says that this is disastrous for the development of democracy, but who is preventing him from paying a little more attention to the development of democracy and constructing a party that is a bit stronger and more capable, that will get more of the vote? I am not an obstacle to him or to those with whom he will probably establish a coalition in the election. I have said good-bye to people like that, and that is not disastrous, but worthwhile.

[Jelovac] The oppositionists are now charging the HDZ with "capitalizing on Operation Storm," and they illustrate this with your having enrolled in the HDZ on the Freedom Train. Why did you not decide on that step a year earlier?

[Zoric] I enrolled on the train, because that was simply my first day after returning from vacation. Let people say what they will. I do not feel at all that I have made a switch. I even have a feeling that I have come home. After all, on fundamental issues it has been easier to reach agreement with people from the HDZ than with colleagues in my former party.

How could anyone expect me to part company with the people in the present government, people with whom I worked closely during the fiercest aggression against Croatia on refugee issues while I was in the Displaced Persons Office. To part company with them and to collaborate with certain leftists, with parties favoring home rule, just because they are in the opposition? The former were closer to me in their convictions, in their political view; my switch to them is only a step toward greater maturity and clearer political definition. I say to the members of my former party, what I have received from you I am giving back! Aside from that, Croatian democracy has brought splendid results, which is something that does not happen all that often. And you see, this terrible HDZ, which is doing so much to harm Croatian democracy, has destroyed Yugoslavia in five years, created an independent state, and is getting rid of four centuries of occupation....So many events compressed into five years, and some things in just four days.

And let the leadership of my party make a decision about a political dowry. Without any kind of false modesty, I say clearly and loudly—I am ready to work and be a member of the party, just like any other member. I am not seeking any substitution for my transfer. Aside from that, I am satisfied with this status, and not many people can say that.

Bozo Kovacevic (HSLS)

[Kovacevic] Every member of any party can either be in it or leave it. The fact that I can give up my party membership is an indication of democracy in Croatia.

If my former fellow party members find that the HDZ is closer to them than the party in which they have been up until now, it is good that they have done this.

I do not know of any obstacles Zoric had in this party; he was designated as a candidate for the parliament in the zupanija where he lives, on the personal insistence of the party president, but also with the consent of the other members of the leadership. On the basis of the tacit support of certain people in the party's leadership, he was chosen to be our candidate for vice president of the Zupanija Chamber. So, it is evident that he had no obstacles; indeed, he had support. But what Mr. Zoric might have been dissatisfied with is the results of last year's party election, when he did not win, but another candidate did.

[Jelovac] However, according to Mr. Zoric, his role was decisive in formulating the party's documents concerning the Z-4 plan and the model for reintegrating the occupied areas. He said that he experienced resistance.

[Kovacevic] As for the Z-4 plan, it is not true that we favored its acceptance. The very day after the plan was made public, Ljubo Antic rejected that plan on the program, "The Picture in Pictures," because it was contrary to the provisions of the constitutional law

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

concerning the rights of ethnic communities and ethnic minorities. Not a single member of the HSLS accepted that plan on behalf of the party.

As far as the military solution is concerned, one need only scan my statements to the media to see that if the negotiations do not succeed, the problem of the occupied regions should be resolved by military means. That is also the position of the HSLS with respect to these other occupied areas. So, if the constitutional system of Croatia is not extended over all its territory, there is no reason not to undertake a new storm. The Croatian Government has had only the support and the encouragement of the HSLS for Operations "Flash" and "Storm."

The departure of any member from the party is a loss. However, the fact that the HDZ wants to buy certain people at any price, or to force those not offered that opportunity to join the HDZ or see their normal life as a citizen frustrated because they are in the opposition, shows that there are totalitarian tendencies within the HDZ.

[Jelovac] Do you have specific proof of purchase?

[Kovacevic] No, we do not have proof; for that you have to ask those who made the transfers, if it is assumed that any one of them was bought. We do not have proof, aside from reports that some of the council members of the City Council in Split were offered loans, paying positions on boards of directors, and diplomatic jobs. We certainly cannot check that out, but we have plenty of evidence regarding the threats to the personal safety of certain opposition members. I will mention only our officials in Gospic, who on several occasions were subjected to armed attacks following anonymous threats, which resulted from their party membership.

Mate Mestrovic (HDZ): I Am Financially Independent

[Mestrovic] During "Operation Storm," I was vacationing in Sibenik, and, like everyone else, I was enthusiastic about the entire operation, about the Croatian Army [HV], its effectiveness, its organization and morale, its success, which has certainly changed the balance of power in the region. At this point, I am amazed that the leadership of the HSLS was simply nowhere to be seen, neither locally nor at the center. There was no participation whatsoever in this great success, the first statement made by Drazen Budisa came only a few days later. The party, as far as I know, did not take any position whatsoever, as though they were caught by surprise, as though all this confused them....I talked at the time to one of the party leaders, and he told me: "Operation Storm confused us." I do not understand why a man has the feeling that "Operation Storm" confused him when without "Operation Storm" Croatia would not be able to institute itself over almost its entire area.

For Budisa, it was politically useful to go to Knin, to greet Tudjman, and to publicly congratulate him on a brilliant success.

[Jelovac] Do you mean to say that the military police "Operation Storm" was too fast for you to make a decision?

[Mestrovic] Absolutely, among other things because promises were fulfilled. Susak said that he would drink coffee in Drnis, and he did. So, he did what he said, that is, the facts cannot be disputed. The HV has been built and organized in a very short time, and it is a respectable military force in its effectiveness and capability. I always felt, this is evident from my earlier statements, that the military solution was the only one possible, and that stories about peaceful reintegration were unrealistic.

[Jelovac] Is "Operation Storm" a success of the HDZ?

[Mestrovic] "Operation Storm" is primarily a success of the Croatian Army, and there are members of all parties in the HV. Liberation was done under leadership of the government, which, as you know, was made up of the HDZ and Minister Susak, who is the competent minister, and President Tudjman, who is at the same time the president of the party. I am a historian, and in history great successes, or indeed great failures, are associated with the leading figure. Thus England's victory in World War II is associated with Churchill, although it is quite clear that Churchill could not have done this alone. He coordinated and served as a symbol, he gave encouragement in days that were fateful for England....So, it is indisputable that liberation of most of the occupied areas was done under the leadership of President Tudjman. This is a fact, the Croatian state has been organized under the leadership of Dr. Tudjman.

[Jelovac] Some members of the opposition are saying that soon the parliament could become a one-party body, and their role might be reduced to mere decor.

[Mestrovic] Democracy demands the existence of a majority ruling party and an opposition. History shows that in periods when states have been created, there have always been extensive homogenizations. More or less, always one party ruled. Look at India under Gandhi, Algeria, for example, or indeed a majority of the postcommunist states. This is reality, and later, when the process of creating the state is completed, new problems come into the foreground where people differ over the way policy is conceived and the government is run. So, this in Croatia is nothing unusual; these are

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

established processes which have existed in previous times and in other places. I do not consider myself a nationalist, but a patriot, which is quite normal. This is a question of priorities, and the HSLS has big problems with that.

I am an individualist, I have a certain advantage in participating in politics, because I am financially quite independent. I do not need politics for any material gain. And if you read what I have said in both the HNS and the HSLS, you will see that I have not been revising my positions. In the HNS, I was in the grouping with Bosilj Misetic, Badovinec, and when Savka left, so did I. And in the HSLS I was in the so-called populist line, I do not think I will do differently in the future than I have up to now.

Stijepo Martinovic (HNS): The Opposition Is To Blame

The squabbling of the parties is perceived as a blow to the constitutional definition of parliamentary democracy and to the multiparty system, because the results, the outcome of the elections, are revised illegally. A balance of political power which does not correspond to the wishes of the voters is established.

The City Council in Split, for example, was a realistic expression of the choice of the voters, but it certainly is not that any longer.

It is tragic that the HDZ is using the money of the state, the jobs in state administration, and state housing. And it is laughable that the party in power wants it to attribute the most recent transfers to its irresistible program. Why did it not take the big cities earlier, but is doing so now the second time around?

To be sure, the opposition parties are themselves to blame for the new situation, because even in the cities where they were in power they did not develop a dynamic unity that would result in the quality of administration. The extreme evidence of this is the situation in which Vrkic and Mestrovic left the HNS. At that time, the HSLS laughed at us, but I told them, "You are very wrong if you think this will not happen to you."

Instead of entering upon advanced democracy, we are entering upon lijantelizam in which everyone's value is at the discretion of the "head of state." Objectively, this is worse than the one-party communist one-dimensionalism, because communism is a one-party system by definition. The democracy we have now is an act, and we are actually moving toward one-dimensionalism on the basis of Croatism as the only legal ideology. One reflection of that is President Tudjman's insult to the citizens of Split, because he told them that "only now will they have Croatian government in the city." Does this mean that in the last elections they voted in some anti-Croatian government, Tanzanian perhaps?

Velimir Terzic (HSLS): A Trick for the Public

I am not confused at all. The trouble is that the celebration in this moment that Croatia will soon be over its entire territory once and for all is intervening in Croatia's political life, and patriotism is being used in it. To all those who choose a party in the name of patriotism, and to the rest who dispute patriotism, I say: This is a common trick intended for the public! To justify something which is not in the public interest, but in their own interest.

Let patriotism be the impetus, but on the basis of that impetus let us look rationally at political efforts. Croatia should be born at the level of its culture, Croatia should be born at the level of its past experience. This present method is certainly not exemplary, it is actually the consequence of our long encirclement in a community with Belgrade and a consequence of the socialist experience. The model is almost repeating itself. Those who learned their trade in the Belgrade political school are pushing a model which does not suit Croatia. After all, we want Croatia to be born at the level of entry into the 21st century.

Transfer to HDZ, Opposition Losses Discussed

95BA0370C Zagreb HRVATSKI OBZOR in Serbo-Croatian 4 Sep 95 p 13

[Article by Zelimir Zanko: "The Losers' Lament"]

[FBIS Translated Text] Following a brief moment of complete party and national unity during operation "Storm," Croatia has quickly returned to its peacetime election campaign. In the words of the president of the state and the incumbent party, Dr. Franjo Tudjman himself, on the Freedom Train, the elections to the House of Representatives in the parliament will be held soon, before this year is over, and he will head the state slate for the HDZ [Croatian Democratic Union]. That announcement of the imminent beginning of the official election campaign, made during the historic trip between Zagreb and Split, is fully in keeping with what happened in those two cities, according to a pattern which provided the greatest possible surprise for the rival parties, in which the HDZ was the first to make public that the enrollment of five members of the HSLS [Croatian Social Liberal Party] had now given it a majority in the Split City Council and even the mayor, and then two or three days later we learned in the Zagreb headquarters of the HDZ of what is the most important

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

shift of parties so far, Mate Mestrovic, chairman of the HSLS caucus in the Zupanija Chamber, and Damir Zoric, Liberal and vice president of that chamber in the parliament. As this "merciless" HDZ tempo of transfers has continued, the public has, almost at the same time, learned of the large transfer (return) of no fewer than 38 members of the HND [Croatian Independent Democrats] in the Pozega-Slavonia Zupanija to the parent HDZ, and there have also been announcements of new changes in party uniform to benefit the incumbent party. All of this, following operation "Storm," has been accompanied, as a survey shows, by a substantial increase in the popularity of the incumbent party in the eyes of the voters.

Now the opposition, which is the loser, is not being helped very much by its naive and moralizing explanations of the departure of its distinguished members, that is, their having been won over by the HDZ, to the effect that this violates the will of the citizens as expressed in the elections. After all, because the law is vague, party switches in which the political position obtained in the election is retained, regardless of the prior will of the voters, are something normal in our country, and since the last elections to the parliament several new parties have been organized by deputies who were elected on other party slates.

Lukewarm Rejection of the Charges

All Croatian parties gladly engage in winning over other people's members, while the means they use to convince them are certainly no different from those used by the HDZ, it is just that the latter can offer more. Nevertheless, in order to nurture some kind of Croatian political moral hygiene, we should clearly distinguish between that kind of justified loss of members where we have awkward denunciation of what is essentially a normal and morally unquestioned political ambition of renegade colleagues, such as offers of a certain post on the party slate or some other government position in case of victory, and those charges that all those who changed their party colors on behalf of the HDZ did so because they were purchased with high amounts of marks, just like soccer players from hidden funds, or shares of stock, or, indeed, because they were offered assistance from the state in conducting their private businesses. Such accusations, which are not only difficult to prove but also go a long way toward compromising the "deserters" and the HDZ as a party, and even the state itself, should be prevented and dropped from public use. Surprisingly, those sullied so far by those charges are taking them with lukewarm rejection, without a single judicial procedure for possible slander, probably because even those making them are not insisting on solid evidence, so that all that talk about hundreds of thousands of marks the deserting oppositionists are getting are more like the impotent and envious gossip of those who were their colleagues until recently, and in the final analysis they will not have any considerable impact on the will of the voters.

The New Prospects of the HDZ

As if this were not a frequent phenomenon of party life even in the most democratic countries, especially at election time, the repertoire of the unsuccessful recent opposition lament due to the loss of members is supplemented by the assertion that after numerous distinguished oppositionists have left for the HDZ, the broad possibility of creating (renewing) the one-party system is allegedly opening up in Croatia. Since this irrational charge is already being parried by Tudjman's rational position that without unity in the government and a party majority in the parliament, he would not be able to make the decision that resulted in the Freedom Train, it will probably fall quickly out of the contest in the near future. Another question is how the president of the HDZ, not only because of the arrival of a large number of new members, many of whom want a more distinguished place, will manage to devise a new balance of interests within the party as a guarantee that it will maintain the necessary majority. There is no doubt that he will be able to do this considerably more easily and in a more relaxed state since operation "Storm," which opens up new prospects for the HDZ as a whole, than he could have a few months ago.

At the same time, the most dangerous rival of the HDZ, the Liberals, have a hasty transformation ahead of them which was put on their agenda by the departure of Damir Zoric, former leader of the so-called populist current in the HSLS. After all, if one is to judge by last year's elections to the post of the party's chief secretary, when Zoric was defeated by Bozo Kovacevic, the candidate of the so-called elitist faction, but with the support of one-third of the party, the HSLS has ahead of it not only new losses in personnel, but perhaps even a revision of its program. It is difficult to say in advance how that transformation will end up, but it is certain that Zoric's departure means a big loss for the Liberals and a big gain for the populist HDZ. That gain is already evident, because the HDZ, already overwhelming, now has a two-thirds majority in the Zupanija Chamber of the parliament since it has won over Mestrovic and Zoric.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Mass Graves of Krajina Serbs Discovered in Gracac

LD0410181495 Belgrade TANJUG in English 1755 GMT 4 Oct 95

[FBIS Transcribed Text] Zagreb, Oct 4 (TANJUG)—The Croatian Helsinki Committee announced in Zagreb Wednesday that its monitors had discovered mass graves in Gracac (a town in the sector east), where murdered Krajina Serbs have been buried.

The committee said that the greatest number of persons killed in the Krajina region are buried in Gracac and in Knin (former administrative center of the occupied Republic of Serb Krajina—state of Bosnian Serbs).

The committee said, citing European Union evidence, that about six people are killed in Krajina every day, whose bodies are transported to the above mentioned cemeteries.

Most of the 4,000 Serbs who remained in Krajina are elderly people, while around 250,000 Krajina Serbs fled at the beginning of August, escaping the brutal offensive of the large, well-equipped Croatian Army.

Krajina (former sectors south and north, which used to be under U.N. protection), spreading on about 14,000 sq.km., had around 320,000 inhabitants four years ago, most of them Serbs.

The committee said that it had discovered new details in connection with the massacre of Serb civilians in the village of Varivode, near Knin.

Of the 12 people believed to be killed, two have been found. They are Vukica Beric (80)—she is recovering in Knin hospital from burns after her house was torched by attackers, and Milan Pokrajac (77) who was found in his house.

U.N. secretary general special envoy for the former Yugoslavia, Yasushi Akashi, said in Zagreb Tuesday that the U.N. had substantiated evidence that at least nine Serb civilians had been murdered in the village of Varivode.

This is the most brutal single attack on Serbs who remained in Croatia after the Croatian offensive on Krajina, Akashi said and added that this indicated the need for international control and the protection of remaining Serbs in the region.

The committee denied Croatian official claims that 300 suspects have been arrested for crimes committed in Krajina.

The committee claims that the suspects were only under investigation and it called upon the Croatian authorities to announce publicly the names of individuals who had been arrested and against whom criminal proceedings had been initiated.

The authorities in Zagreb have been denying for weeks the reports of U.N. monitors and international organizations that Croatian troops and policemen were involved in systematic looting, torching and destruction of Krajina Serb properties.

They have also been denying that Croatian troops murdered civilians, for what there is also ample evidence collected by the U.N. and international organizations.

Under pressure from international organizations, Zagreb recently partially modified its previous claims, by saying that irresponsible individuals were responsible for the looting of Serb Krajina properties.

UN Criticizes Killings, Human Rights Abuses

AU0410180895 Paris AFP in English 1740 GMT 4 Oct 95

[FBIS Transcribed Text] Geneva, Oct 4 (AFP)—The UN High Commissioner for Human Rights (UNHCR), Jose Ayala Lasso, has written to Croatian President Franjo Tudjman accusing his forces of flouting an agreement on the return of Serb refugees to the Krajina region, and continuing the killing of civilians in the area.

Ayala Lasso's office said in a communique that he had sent a letter to Croatian President Franjo Tudjman Monday [2 October] to express his "deep concern" at the situation and to denounce the continued looting and burning of homes in the region by government troops.

UN officials said that enquiries in the secessionist Serb Krajina region reclaimed by the Croatian army during a fierce offensive last summer show that many of the victims, the majority of whom were elderly or handicapped civilians, were killed long after the army offensive and some had bullet wounds to the head or chest.

Several also showed signs of having been tortured.

At least three of the victims burned to death inside their homes, the communique added, without specifying when these events took place.

Ayala Lasso also denounced as "discriminatory" a recent government law allowing the seizure of property abandoned by some 180,000 Serbs when they fled the government offensive.

He said the law calls on these refugees to quickly return to the region and reclaim their property but, he added, the government has done little to assist in their return.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

He said many of the refugees who attempted to go back were rebuffed, including some who had documents proving they are of Croatian nationality.

These facts "reflect the failure of the Croatian government to fulfill its solemn commitment to create conditions condusive to the return of the Krajina Serbian refugees," the communique said.

The UN Security Council lat Tuesday issued a declaration denouncing rights abuses in Krajina and the United States has been regularly hammering on the importance of ensuring the safety of Serbs remaining in Croatia as well as the right of Serbs who fled the offensive to return.

Akashi Calls For Investigation Into Massacre

AU0310175095 Paris AFP in English 1720 GMT 3 Oct 95

[FBIS Transcribed Text] Zagreb, Oct 3 (AFP)—The top UN envoy for the ex-Yugoslavia on Tuesday [3 October] confirmed that uniformed men brutally killed at least nine elderly men and women in the former Serb region of Krajina last week, in what he called "the most brutal single attack" on Serbs remaining in the country.

Yasushi Akashi, the UN envoy to the former Yugoslavia, issued a statement saying that the United Nations had found evidence of a massacre in the Krajina region, which Croatian troops retook from rebel Serbs in August.

The people killed were aged between 66 and 84, Akashi said in his statement.

"There are reports that the attack was carried out by three to four men in military uniforms," said Akashi. "This incident is the most brutal single attack on those Serbs that remain in Croatia that we have seen since the Croatian offensive in the Krajina."

Akashi called for an investigation into the killings.

"(The attack) highlights the plight of the few vulnerable, mostly elderly, Serb civilians and therefore the importance of international monitoring and protection," the UN official added.

The killings occurred in the town of Varivode, 25 kilometers (15 miles) south of the former Serb stronghold of Knin, where UN police found eight houses spattered in blood and another lengthy trail of blood, said UN spokesman Chris Gunness.

"In another (house) bloodstains were found on the wall along with fragments of hair and skin. From these fragments we believe that someone was shot standing in the entrance," said Gunness.

In Knin, the police found graves marked with the names of nine people who had been visited by UN military observers (UNMOs) who went to the town on September 11 and found them to be "alive and well," he said.

Despite assurances by Croatia that the rights of its Serbs would be respected, uniformed men continue to terrorize Serbs in the Krajina.

The United Nations has estimated that between 3,755 and 4,155 people remained in Croatia's devastated Krajina, out of a population of about 185,000 before the government offensive in August.

Those who remained generally did so because they were too poor or too old to join the refugee columns who made the arduous trek to Serbia.

"There is this rather macabre evidence of rubber gloves covered in blood being found in the village and that perhaps suggests that some sort of investigation has taken place," he told reporters.

A woman in her 70s and 80s was believed to have witnessed at least some of the killings, said Gunness. "She might well be vulnerable to retaliation," he added.

Menacingly, local authorities turned away a man trying to visit Varivode on September 28, the day of the killings.

"A man (was) trying...to take bread to some people in the village and he was told he couldn't go to the village because there had been an accident and the people there no longer required the bread," said Gunness.

Zarko Puhovski, of the Croatian branch of the Helsinki Watch human rights group, said in a telephone interview here that the victims may have witnessed looting.

"Why is the government not doing anything," he said. "After the shelling in Osijek, I can understand people wanting to hit back but then the government has to intervene."

RSK Official Appeals to UN Over Army Crimes

LD0410174095 Belgrade SRNA in Serbo-Croatian 1415 GMT 4 Oct 95

[FBIS Translated Text] Banja Luka, 4 Oct (SRNA)—Milan Martic, president of the Republic of Serb Krajina [RSK], sent a letter today to UN Secretary General Butrus-Ghali in which he warns him that the crimes committed by the Croatian Army in occupied Krajina bring into question the purpose of the UN's existence.

"We are convinced that the United Nations has mechanisms to thwart Croatian attempts to expunge all traces

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

of the several centuries of the existence and culture of the Serb people of Krajina," the letter stresses.

The Krajina president highlighted the actions being taken by the Croatian authorities in their attempt to completely prevent the return of over 200,000 expelled Serbs to their homes.

"By burning down houses and plundering and destroying property on a daily basis, and especially by persecuting and killing the Serb inhabitants who have remained in their homes and who are mainly people over 60, there is a systematic move to prevent the return of the Serb people," Martic stresses, and he adds:

"Although international aid organizations and UN representatives file reports about these Croatian crimes, apart from a verbal rebuke, the United Nations is not doing anything to prevent Zagreb from doing what it is doing.

"We cannot avoid gaining the impression that this insipid attitude to Croatian criminal policy is causing the international community itself to be an accomplice in ethnic cleansing unprecedented in recent history."

EU Conditions for Reconstruction Aid Viewed

AU0510095395 Zagreb VJESNIK in Serbo-Croatian 4 Oct 95 p 5

[Commentary by Ivo Jakovljevic: "The Marshall Plan and Three Conditions for Croatia"]

[FBIS Translated Text] The EU has finally made a decision: The new Marshall Plan for postwar economic reconstruction of the states in the former Yugoslavia, the bait in the broader package of measures for establishing lasting peace in the area, has been defined. The latest meeting of EU foreign ministers in Luxembourg fully defined all the elements of such a comprehensive and demanding plan: its goals, capital, firm conditions. Is there, however, a place and funds for Croatia in the new Marshall Plan?

When almost a month ago I wrote about the topic at the first news that the West really was planning something regarding a comprehensive reconstruction of Bosnia-Herzegovina, I could not avoid saying that Croatia was rightly counting on being included in this Western financial project for three fundamental reasons. First, as the initial victim of Serb aggression; second, because of immense war devastation, which in the past four years has been estimated at approximately $25 billion; and third, because the Republic of Croatia, together with its neighbor the Republic of Bosnia-Herzegovina, forms a unique geoeconomic, communications, and geopolitical whole.

It was officially announced after the EU foreign ministers meeting in Luxembourg that the new Marshall Plan (fashioned after the plan for postwar reconstruction in West Europe from 1948 to 1952 and named after George Marshall), envisaged aid for Bosnia-Herzegovina and "certain parts of Croatia". Thus, Croatia has been given a new chance, but on three firm conditions: first, that it itself creates conditions for the real return of refugee Serbs to the former UN Protection Area zones; second, that it strictly observes human and minority rights; and third, that "it behaves constructively" during the implementation of the peace plan. If it satisfies all these conditions in the first phase, Croatia could count on financial aid from the package (worth altogether $4 billion) that would amount to at least $1 billion!

However, the main condition for transforming the West European bait into a working aid plan is the establishment of real peace throughout the former Yugoslavia, which would be particularly stable in Bosnia-Herzegovina. This desirable epilogue to the already four-year bloody drama also means a lasting and just solution and peaceful reintegration of the still occupied Baranja, western Srijem, and eastern Slavonia into the Croatian state and legal system. If these general conditions are met, the new Marshall Plan should not put up new barriers, and could become reality in Croatia's case.

Croatia must take the three conditions for joining this comprehensive package of Western financial aid into consideration, not only for financial, but also for diplomatic and political reasons. These are not new, special conditions, but rather general EU regulations and fundamental principles for the peaceful resolution of all international conflicts, including the consequences of the several years long Serb aggression in the broader, post-Yugoslav region.

Today Croatia has three vital interests: first, the establishment of its state and legal system throughout the territory of the Republic of Croatia; second, the return of refugees to their homes (along with the punishing of war crimes and war reparation); and third, the tight-knit and successful integration of Croatian economy and society into the European market and the world of Western democracy. These three Croatian objectives are fully compatible with the three EU conditions for participation in the postwar reconstruction of Croatia.

Should these not be the crucial positive reason for the Europeans to even more directly help comprehensive Croatian reconstruction?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Article Views Personnel Changes in Army

AU0310113995 Zagreb GLOBUS in Serbo-Croatian 29 Sep 95 pp 2, 50

[Article by Davor Butkovic: "Why Have Croatian Generals Vinko Vrbanec, Nojko Marinovic, Ante Roso, and Djuro Basarac Been Dismissed?"]

[FBIS Translated Text] On 21, 22, and 23 September, a whole series of obituaries appeared in Croatian dailies for the members of the Croatian Army elite units; the 1st and 2d Guard Brigades as well as the "Tigrovi" ["Tigers"] and "Gromovi" ["Thunders"] units.

On Sunday, 24 September, the daily press published President Tudjman's decision on the promotion of a group of brigadier generals to the rank of major general.

At the end of the text, it was mentioned that a decision had been passed to suspend Major General Vinko Vrbanec from duty and to initiate a disciplinary action against him on the charge of "performing a self-willed military action."

Gen. Vrbanec's suspension and his alleged temporary arrest (neighbors say that he has not come home since Friday [22 September] evening)—he is a true hero of the Patriotic War and who is given credit for Operation Flash [Bljesa], for the liberation of Grahovo and Glamoc, and especially for Operation Storm [Oluja]—are an unhappy culmination of a series of changes in the Croatian Army leadership that started with Gen. Janko Bobetko's retirement and the appointment of Zvonimir Cervenko as the new head of the General Staff.

His appointment is considered a temporary solution, which is logical regarding both Cervenko's age and the decisive requirement made by the right wing of the HDZ [Croatian Democratic Community] that the new commander of the Croatian Army should not be a former Yugoslav People's Army [JNA] officer.

After Cervenko's appointment, there was a series of important changes in the Croatian Army leadership that reflect President Tudjman's intention to reconciliate the conflicting army factions as much as possible (the animosity of some of the officers promoted during the Patriotic War toward the officers who came to the Croatian Army from the JNA).

These have been the most important changes in the military leadership since Corps Gen. Antun Tus was dismissed from the position of head of the Chief of Staff in late autumn 1992.

The reasons for these changes are completely different.

Gen. Basarac's Dismissal

Maj. Gen. Djuro Basarac, until recently the commander of the Zagreb Military Region, who formally left his duty 10 days ago, was actually dismissed during Operation Storm.

On the last day of that action, GLOBUS received information that Basarac, a former JNA officer, would be dismissed immediately. GLOBUS sources at the Croatian Army General Staff denied that piece of information, however.

Several days after Operation Storm, the officers and soldiers of the 2d Guards Brigade, who suffered considerable losses in the liberation of Petrinja, told GLOBUS correspondents that Basarac was blamed for his slow response and for difficulties during the action. Apart from that, he allegedly behaved in a manner that was not appropriate for a soldier.

A month after Operation Storm, Basarac was replaced by Marijan Marekovic, who received his rank during the Patriotic War and who used to be the commander of the "Tigrovi" unit.

It is important to point out that Marekovic's appointment to Basarac's position is not a victory of the HDZ and the army faction that would like to get rid of high-ranking officers from the former JNA, since the officers who came from the JNA consider Marekovic—after Lieutenant Gen. Josip Lucic, the main inspector of the Croatian Army—to be the most capable commander in the Croatian Army.

At almost the same time Gen. Basarac was dismissed from his position as Zagreb Military Region commander, also Maj. Gen. Nojko Marinovic was pensioned off. He was the commander of Dubrovnik for more than three years.

Gen. Marinkovic, a first class officer, who was the JNA commander of the garrison in Trebinje, was seriously wounded several years ago when he stepped on a mine at the frontline.

Marinovic, who is considered a hero in Dubrovnik, was replaced by Gen. Zivko Budimir, also a former JNA officer, who tried to defend Banija in 1991 and who is blamed by some circles in the Croatian Army for the losses that the then National Guard units suffered in that area in the late autumn four years ago, including the tragic drowning of a group of soldiers of a Zagreb unit when they tried to cross the Kupa River.

After a series of public conflicts with both the political and military leadership, Gen. Budimir was practically written off. His appointment as the commander of the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Southern Front was one of the biggest surprises in the latest changes made in the Croatian Army.

The second big surprise is the promotion of some brigadiers to general rank.

Gen. Ademi's Return

Whereas the promotions of Ivan Korada, the commander of the 7th Guard Brigade, and Damir Krsticevic, the commander of the 4th Guard Brigade, were expected because of their major contribution to the liberation of Knin and conflicts in Bosnia, the decision on the promotion of Rakhim Ademi was completely unexpected.

Gen. Ademi is a real hero of the patriotic war, he is the person most responsible for the successful defense of Sibenik. This former JNA officer is certainly the most respectable Albanian in the Croatian social and political hierarchy. Ademi is doubtlessly a qualified commander. As one of the commanders in the Croatian military operation in the Medak pocket in the autumn of 1993, he was, however, made responsible—beside some others—for the systematic destruction of all Serbian villages in that area. He was suspended for some time because of that accusation.

By promoting Ademi, the Croatian military and political leadership runs the risk of a Croatian Army general being discredited by international organizations.

It must also be mentioned that the decision published in the daily press on 24 September also included the promotion of Mirko Norac-Kevo, the commander of the Gospic Corps, to the rank of general.

The commander of the Osijek Corps, Djuro Decak, became a lieutenant general. The supreme military leadership assessed that Decak did not have enough military knowledge to be the commander of a military region or of a complete army, but, at best, of an infantry unit; but owing to the fact that he is perhaps the most powerful HDZ candidate for the new head of the General Staff, it is clear that his promotion is predominantly of political importance.

Formal changes and promotions go hand in hand with a more and more fierce competition for the most prestigious duties among Croatian officers.

One of its victims is Gen. Ante Roso, a former legionnaire, who—after being the commander of the Joint Chief of Staff of the Army of Bosnia-Herzegovina and the Croatian Defense Council [HVO]—has not had a specific task for months.

In the meantime, Gen. Roso has gone over to the "opposition" Association of the Patriotic War Volunteers, which is led by Branko Borkovic, the former commander of Vukovar and the present head of the Infantry Division at the Croatian Army General Staff, which is in fierce conflict with the larger and politically more powerful Association of the Croatian Volunteers in the Patriotic War, which is led by Tomislav Mercep.

At the convention of Borkovic's association, Roso told a GLOBUS correspondent that he would get a new post soon. Roso had been allegedly pushed into the background (although he was one of the main candidates for the head of the General Staff several months ago), because of Lt. Gen. Anto Gotovina, the commander of the Split Military Region, who married the personal secretary of Defense Minister Gojko Susak, Lt. Dunja Zlojic.

But Gotovina, who—like Roso—served in the French Foreign Legion, recently came into conflict with the defense minister.

Gen. Vrbanec's Replacement

Gen. Gotovina allowed the units of the Split Military Region to be the first units to enter Jajce, although it had been agreed that the members of the special police of Herzeg-Bosnia, whose commander is Zlatan-Mijo Jelic, should enter the town first.

It was mentioned in official statements that the police of Herzeg-Bosnia liberated Jajce, which was not true.

The Croatian defense minister was hurt because the agreement was not respected and allegedly told Gen. Gotovina in the heat of the moment that there was no longer a place for him in the Croatian Army if he kept on "behaving in that way."

The suspension and the initiation of disciplinary action against Gen. Vrbanec speak in favor of the instability in the Croatian military leadership, in spite of the recent triumphant victories in Croatia and Bosnia.

Maj. Gen. Vinko Vrbanec was allegedly dismissed because of the heavy losses the elite units of the Croatian Army suffered near Bosanska Dubica and Bosanski Novi. Renowned foreign media such as THE NEW YORK TIMES even reported that the Serbian Air Force heavily bombed Croatian units with cluster bombs.

These reports could be true, because Bosnian Serb radio stations reported on Saturday, 23 September that, at 1000 that day, NATO allegedly bombed Serbian positions around Banja Luka.

Judging by reliable reports, NATO did not carry out such an action, so it could be assumed that the Serb military positions around Banja Luka were bombed by

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Croatian Air Force in retaliation for the actions by the Serbian Air Force near Bosanski Novi and Dubica.

Independent of these assumptions, it is clear that the Croatian Army suffered heavy losses on the Una River, near the two above-mentioned Bosnian towns, and that it withdrew from Bosnian Novi and Bosanska Dubica later because of political pressure from the West.

Regarding the formulation "self-willed military action" that was used in the decision on Vrbanec's dismissal, it is almost obvious that Maj. Gen. Vinko Vrbanec, the hero of Operations Flash and Storm as well as actions carried out in western Bosnia and the head of the Combat Division at the General Staff, was blamed for the losses that the 1st and 2d Guard Brigades suffered recently.

Vrbanec's dismissal from the General Staff is a heavy blow for the group of officers who came from the JNA—which is getting smaller and smaller—and who played a huge positive role in the patriotic war. This dismissal need not, however, be politically motivated.

Some other changes and promotions in the military leadership show that President Tudjman has not decided to support either one of the factions, but that he rather tries to create a strong command, respecting the real political relations of forces.

The fact that Gen. Antun Tus is still Tudjman's adviser, although he has been in political and professional conflict with Gojko Susak for more than three years, proves that President Tudjman's relations toward the army are much more careful than toward many other areas of the state leadership.

There is no direct political motivation for the majority of recent changes and promotions in the Croatian Army General Staff, but it is not clear how these changes will be reflected in the structure of the Croatian Army command that has had considerable successes this year—also owing to Gen. Vrbanec.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Cabinet States Andov To Fulfill Gligorov's Duty

AU0410143995 Skopje Radio Macedonia Network in Macedonian 1000 GMT 4 Oct 95

[Announcer-read report on statement by the Cabinet of the President of the Republic of Macedonia]

[FBIS Translated Text] Since the president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], Kiro Gligorov, after the outrageous assassination attempt that was against him on 3 October this year, is temporarily prevented from performing his function, and on the basis of Article 82 Paragraph 3 of Macedonia's Constitution, he will be substituted by Macedonia's Assembly Chairman Stojan Andov in fulfilling the duty of president of the Republic of Macedonia. The communication stresses that, in conformity with Paragraph 4 of the same Article of the Macedonia's Constitution, Stojan Andov will at the same continue to perform his duty as assembly chairman of the Republic of Macedonia without the right to decisionmaking.

Andov: Attack Will Not Change 'Peaceful Policy'

AU0410152595 Skopje NOVA MAKEDONIJA in Macedonian 4 Oct 95 p 2

["Address to the public" by Stojan Andov, chairman of the Republic of Macedonia Assembly: "There Is No Force That Can Change the Policy of Our Country"]

[FBIS Translated Text] After the assassination attempt yesterday morning against Kiro Gligorov, president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], Assembly Chairman Stojan Andov addressed the public yesterday. At the jammed news conference hall in the Assembly of the Republic of Macedonia, in the presence of numerous domestic and foreign journalists, Andov stated as follows:

"A wicked assassination attempt was performed against President Kiro Gligorov of the Republic of Macedonia. As you have already been informed, all surgical measures have been undertaken and at the moment his life is not in imminent danger.

"The assassination attempt against the president of the Republic of Macedonia is a terrorist act with calculated political goals for the destabilization of the Republic of Macedonia. It was not done incidentally just at the moment when the centuries-long dream and the suffering struggle of the Macedonian people for their own state and for an equal role in the world finally came true, as well as at the moment when the solution of the situation in the Balkans was marked and when all our neighbors and the world accepted the fact that the Republic of Macedonia is a reality and that it is a factor of peace in the south of the Balkans.

"The assassination attempt against President Gligorov is an attack against the independent and peaceful position of the Republic of Macedonia. It is an outrageous act directed against the peaceful life, against the interests and the well-being of the citizens of the Republic of Macedonia. This act is today condemned by the citizens of the Republic of Macedonia who are constantly reacting and expressing their wishes for a quick recovery of President Gligorov.

"At this moment, I would like to inform the public that all necessary measures have been undertaken regarding security and that there is no need for concern and fear. There is not a force that will change the course of the independent and peaceful policy of our country, and the executors and the commanders of this monstrous act will be discovered and taken to the Court of Justice.

"So, as has been the case in many difficult historic moments and challenges, let us remain calm, wise, and peaceful in the country in these moments as well, hoping that our president will soon recover and return to his daily duties.

"All necessary measures for discovering the organizers and executors of this assassination attempt have been undertaken, and the public will be timely informed about the results of the investigation.

"I thank all those numerous citizens who are constantly inquiring and expressing wishes for the quick recovery of the president," Macedonia's Assembly Chairman Stojan Andov said.

Pamphlets Distributed After Gligorov Attack

AU0410152095 Skopje NOVA MAKEDONIJA in Macedonian 4 Oct 95 p 5

[Report by V.T.: "Pamphlets With Insults for the President"]

[FBIS Translated Text] Kicevo, 3 October. On the occasion of the Convention for Macedonia, scheduled for 4 October at 1900 [1800 GMT] in front of the St. Climent of Ohrid Church in Skopje, pamphlets were thrown over the houses and apartments of the citizens in Kicevo. These pamphlets called the citizens to participate, as it was said, in the "peaceful protest against the betrayal of the symbol of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], of the Macedonian minority in other countries, and of the name that has been definitely lost after the accord was signed by the present authority, which is preparing even greater betrayals for us."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

After the news of the terrorist act against President Kiro Gligorov, a number of pamphlets with the mentioned contents were placed around the town, on which the following words were written by hand: "Kiro died, let him rest in affliction."

Fears of 'Ethnic Unrest' Arise After Bombing

AU0410190595 Paris AFP in English 1841 GMT 4 Oct 95

[Report by Goran Mihajlovski]

[FBIS Transcribed Excerpt] Skopje, Oct 4 (AFP)—Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] was in a state of shock Wednesday [4 October] after the assassination attempt on President Kiro Gligorov amid fears that the ethnic unrest plaguing neighboring Bosnia and Croatia may erupt in this former Yugoslav republic.

Gligorov, 78, escaped the bid on his life Tuesday with serious injuries that required six hours of surgery to remove shrapnel and two blood clots from his brain. Doctors refused to comment on his condition Wednesday except to say that he was being kept in intensive care.

In Athens, Greece vowed Wednesday to continue efforts to improve ties with Macedonia amid fears for regional stability. "Nothing should disrupt the process engaged to normalise our relations with Skopje," a government official told AFP. "We have signed an agreement and we wish to implement it," the official said.

Much of the responsibility for implementing that agreement on the Macedonian side will fall to parliamentary speaker Stojan Andov, who takes over as interim head of state in line with the country's constitution. The Liberal party which he heads in the governing coalition has supported a policy of peaceful coexistence and dialogue with its powerful Balkan neighbour. Gligorov's office said in a statement that Andov would also continue on as speaker.

Though he holds a key post, Andov is not viewed here as having the stature of a president and Gligorov has no designated successor or heir apparent. Andov, 59 and an economist by profession, is a former Macedonian Communist Party leader under Tito. He was elected parliamentary speaker in 1990.

The party has been instrumental in pushing through anticorruption legislation, and been fiercely critical of police inefficiency. It has promoted increased infrastructural development, the smooth transition to a market economy and privatisation. [passage omitted]

Early suspicions over the attack have centered on extremists from the large Albanian minority, which is calling for autonomy in the west of the country, or extreme Macedonian nationalists who accuse Gligorov of being too accommodating to Greece and the rump Yugolsavia.

Still, the attempt has been unanimously condemned here by all political parties including the far-right nationalists and the Albanian community. The main opposition group in parliament, the Democratic Party for Macedonian National Unity (VRMO-DPMNE) cancelled several demonstrations that had been planned to protest a September 13 accord paving the way for normalizing relations with Greece.

But in the tense town of Kicevo, located 80 kilometers (50 miles) south of Skopje, party tracts announcing the marches were plastered on walls anyway with the words "Gligorov is dead" pencilled in, press reports said. Kicevo's population of 55,000 is nearly half ethnic Albanians.

Gligorov first became head of state in 1991 after Macedonia became independent from the former Yugoslav republic and he was reelected in 1994 in a heavily disputed election that heightened interethnic tensions in the country.

Expert Says Gligorov Attacked by 'Professionals'

AU0410160395 Skopje VECER in Macedonian 4 Oct 95 p 5

[Report by Lj. Stankovic and B.T. Timiovska: "Professionally Directed Bomb"]

[FBIS Translated Text] Mr. Ivan Jovanovic, an expert for explosives and gunpowder, gave his professional opinion on the explosion that blasted on Makedonija Street in Skopje at 0945 in which the official vehicle of the president of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM], Mr. Kiro Gligorov, was destroyed.

In Jovanovic's opinion, the timed bomb that exploded was directed toward the vehicle in which the president was travelling; that is, the detonation took place just at the moment when the president was passing by the parked car bomb. According to Mr. Jovanovic, the detonation was activated by remote control.

Strong Energetic Power

"Because of the blast and heat generated by the explosion, I believe that it involved a small quantity of explosives. I think that this case does not involve a quantity exceeding more than 1 to 2 kg. Past experiences indicate that, in this kind of assassination attempt, plastic

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

explosives are used, usually of the following type: Hexogen and oxogen, as well as a mixture of the two. In this case, the explosive had great energetic power and all the damage in the neighborhood was caused by objects that were flying from the car bomb," Ivan Jovanovic says.

The explosion, in Ivanovic's professional opinion, was characterized by strong heat—that is, a heat of 2,000 degrees centigrade was created at the center—and the blast was spread rapidly, tending to slow down further from the center of the blast. In these kind of explosions, a so-called superpressure is created. If we know that the pressure of the atmosphere acts in one bar, then after the formation of the superpressure a special pressure is created, with a destructive impact on people and objects. A superpressure of 0.1 to 0.15 bars breaks windows on neighboring houses, while a pressure of only 2 bars kills people at the spot.

Strong Destructive Power

"The fact that the explosion occurred at the moment the official vehicle of President Gligorov—that is, its front seat next to the driver—was passing by the car bomb, proves that the car bomb was detonated just at the right time. Evidently the attempt was by persons who are professionals in dealing with explosives and obviously they are top professionals. This is confirmed by the fact that the speed of the detonation in such explosions ranges from 5,000 to 6,000 meters per second, and therefore, I believe that, if the president was sitting in the front seat—that is, next to the driver—nobody could protect him," Jovanovic says.

In conformity with the situation after the explosion, Jovanovic assesses that the explosive that was placed in the car bomb was in the rear part of the car and that it was professionally directed toward the vehicle in which President Kiro Gligorov was travelling. As far as the allegation about two detonations is concerned, Jovanovic thinks that the one was the consequence of the detonation caused by remote control, while the second followed when the gas tank of the bomb car exploded.

As for the type of explosive, Ivan Jovanovic believes that it is easily bought on "black" markets. In his opinion, such an explosive is not produced in Macedonia, but there is no country in Europe and the world where it is not produced, including the countries in our nearest neighborhood.

At the same time, Jovanovic evaluates that there was a small detonator, and that the detonation, taking into the account the configuration of the location, could be performed from a distance of half a kilometer. "So, the assassin or the assassins could activate the explosive from any place or building in the near neighborhood."

As an example for the great destructive power of the bomb, it is enough to mention that one ordinary gunpowder charge can cut a railway track, while hundreds of grams of the same explosive can break down a whole building.

VMRO-DPMNE Allegedly Behind Attack

AU0510123195 Split SLOBODNA DALMACIJA in Serbo-Croatian 5 Oct 95 p 3

[Unattributed note: "The Brothers Cuskov—Assassins?"]

[FBIS Translated Text] According to rumors circulating in Skopje, the perpetrators of the assassination attempt are the brothers Cuskov, members of the Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity [VMRO-PMNE] from Titov Veles who were tried in the town a year ago for attempting several terrorist acts. However, these are just rumors which may or may not be accurate, although the most frequent of comments among citizens is that the assassins are members of the VMRO-DPMNE extremist wing.

Daily Considers Who Might 'Benefit' by Attack

BR0510105995 Rome LA REPUBBLICA in Italian 5 Oct 95 p 8

[Editorial: "Fire in Bosnia"]

[FBIS Translated Text] NATO's three brief air strikes against three Serb antiaircraft batteries in central and southern Bosnia yesterday serve to remind us that nothing is yet a foregone conclusion in that martyred region. Peace has certainly not yet arrived; the all-clear has not yet been sounded. U.S. negotiator Richard Holbrooke is having difficulty in making a step forward, the step that would lead to a cease-fire. If he succeeds, that is all it would be: a fragile truce, nothing more lasting or stable.

The triple strike was decided on because Bosnian Serb antiaircraft radars locked onto patrolling NATO bombers. We will never know whether these episodes have had no precedents in the past weeks, or whether they should be considered routine but have only now received a response to remind everybody that NATO is still on the alert, ready to strike if the talks fail to move forward.

The episode points to the fact that tension is still very high in Bosnia, but we should consider one specific and limited incident in particular. The car bomb attack

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

involving President Kiro Gligorov of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] on Tuesday—which, although badly injured, he survived by the purest of coincidences—is a much more serious occurrence. Macedonia, the real porcelain vase amid the steel cauldrons of Balkan nationalism, has hitherto succeeded in staying out of the war thanks to the ability and wisdom of its leaders, and to the fact that not one of those people who could bring it into the war without lifting a finger has found it opportune to do so.

Suffice it to recall that Macedonia is the only former Yugoslav republic where the local nationalists have never reached a position of power—Slobodon Milosevic's party in Serbia is a nationalist force hiding beneath a very thin Red veneer. The day after the attack, the question: "Whom does this benefit?" has, if anything, too many answers. The Macedonian nationalists, with their Bulgarian connections; Greece, which has never stomached the idea of an independent Macedonia despite all the recent handshaking; Belgrade's secret services, which might see attempts to impart new impetus to destabilization as Serbia's salvation; the Albanians, who may have finally made up their minds to take up arms. Macedonia may seem tiny and remote to unwitting Italian eyes, but it only takes a small detonator to cause a huge explosion.

Gligorov's Condition 'Better Than Expected'

LD0510085795 Belgrade TANJUG Domestic Service in Serbo-Croatian 0831 GMT 5 Oct 95

[FBIS Translated Excerpt] Skopje, 5 Oct (TANJUG)—The latest bulletin issued by the council of doctors at the emergency center of the Medical Faculty in Skopje says that Macedonian President Kiro Gligorov's postoperative medical condition is stable.

TANJUG has learned that according to medical experts, President Gligorov's brain scan has shown that his condition is "better than expected." [passage omitted]

Ministry Issues Statement on Athens Talks

AU0410191395 Skopje Radio Macedonia Network in Macedonian 1430 GMT 4 Oct 95

[FBIS Translated Text] Before the start of the second part of the preliminary discussions between the delegations of the foreign ministries of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] and the Republic of Greece on the practical implementation of the Interim Accord, the head of the Macedonian delegation Ljupco Arsovski was today received by the Greek Foreign Minister Karolos Papoulias. On this occasion the Greek minister expressed his deep sorrow for yesterday's terrorist attack against President Gligorov. Minister Papoulias emphasized that it represents a direct attack on the efforts that both countries are making in normalizing mutual relations and for maintenance of peace and security in the region. Arsovski thanked for the expressed concern and for the fast Greek reaction in sending medical staff to Skopje.

Assembly Endorses Changes to Republic Flag

LD0510151595 Belgrade SRNA in Serbo-Croatian 1447 GMT 5 Oct 95

[Received by fax]

[FBIS Translated Excerpt] Skopje, 5 Oct (SRNA-BETA)—Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] changed its state flag today. The Macedonian Assembly voted today in favor of replacing the "Star from Vergina" with an eight-pointed sun on a red background. [passage omitted]

A total of 110 deputies out of the overall 120 voted in favor of this decision. One voted against and four abstained.

Country Said Rejecting Balkan Federation

95BA0366B Ljubljana REPUBLIKA in Slovene 7 Sep 95 p 7

[Interview with Ambassador Dimitar Mircev by Zoran Odic; place and date not given: "Macedonia Is Rejecting Ideas of Any Kind of Federation"]

[FBIS Translated Text] *The recent news is that U.S. Representative Holbrooke, following talks with Serbian President Milosevic, left for Skopje, where he briefed President Gligorov on the idea of Macedonia's [The Former Yugoslav Republic of Macedonia—FYROM] possible inclusion in a future (con)federation of Balkan states. That the Macedonian state leadership took the proposal seriously is indicated by the fact that the Republic of Macedonia's National Security Council met late into the night. It was not possible to find out what its response was to the U.S.-Serbian proposal.*

When we asked Prof. Dimitar Mircev, Macedonia's ambassador to Slovenia, for a comment and his homeland's official position, he said:

[Mircev] That is not the first proposal or initiative to have some sort of new state entity formed out of the republics, now independent states on the former Yugoslav territory. A few years ago Macedonia was prepared to negotiate along with all the republics on coexistence that included the possibilities of both a federation and a confederation.

Our position is that we do not need new political divisions in the Balkans—that first of all it is necessary to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

do everything possible to achieve peace, and only afterward could negotiations start on renewing economic, cultural, and other relations, including the usual intergovernmental relations. In other words, that means that Macedonia will not participate in talks aimed at the emergence of any sort of form of associations or new state political ties. The U.S. proposal, of course, is a "package," a concept of which parts are more or less cohesive and contain proposals for regulating relations among the states that have arisen on the territory of the former Yugoslavia and in the Balkans in general. Unfortunately, not everything in that package is acceptable to everyone involved, and that is also why we do not intend to talk about federations, confederations, etc.

Bosnia-Herzegovina, of course, is in a special position, the most difficult one. If any of the forms in the package enable and guarantee peace in Bosnia-Herzegovina—which its government will have to decide independently—the U.S. proposals should be accepted.

[Odic] Mr. Ambassador, in that context, the Albanian question is also very important for Macedonia. There have been disagreements and conflicts over the position of the Albanians in Macedonia, and I therefore ask you to say something about that and to try to compare it with the position of the Albanians in Kosovo.

[Mircev] We are talking about that issue within the framework of the Albanians' minority rights, and at the same time, we are trying to achieve fulfillment of the rights of Macedonians living in neighboring states. In spite of the pressure from Albanian political structures and extremist groups in Macedonia, I can say that those issues are still causing tension between the majority and the minority. It should be pointed out that the Albanian parties in Macedonia participate in political life, are represented in parliament, have five or six ministries in the government, and are cooperating responsibly with all other political entities in the country on such issues as education, employment, and local self-government. I can say that a process is taking place in Macedonia in which the Albanian minority has also been allowed to exercise its constitutional rights in practice.

[Odic] The subsidence of the conflicts depends to a great extent upon the situation in Macedonia, but not exclusively. To what extent is the tension affected by the international environment in which Macedonia is living?

[Mircev] The influence is considerable, especially because there are always romantic national strategies—in Serbia, Bulgaria, and Albania, not to mention Greece. Since the Croatian and Bosnian experiences, those ideologies have been half-buried. It is also true that they arose as a result of historical circumstances and the national immaturity of the young states that have arisen in the Balkans during the last century.

[Odic] You have mentioned several times the suffering and killing of Bosnia-Herzegovina and its people. What are your bilateral relations like?

[Mircev] Macedonia, within the limits of its capabilities, is assisting Bosnia-Herzegovina economically, and especially the numerous refugees, of which more than 20,000 are in Macedonia. In any case, relations are not at the level that they should be as relations between states that are so close to each other that they have to be in daily contact. I expect that this will be one of the first direct steps. We had already agreed on a working visit by Minister Ljubijankic, but it was prevented by his tragic death. Of course, the invitation applies to Minister Sacirbey. I have found out that Ministers Sacirbey and Crvenkovski have agreed to meet this month in New York and to talk about the expansion and concretization of cooperation, and also the establishment of embassies, since there are many practical, humanitarian, and everyday issues that will be easier to resolve when embassies are in operation.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Commission Views NATO Expansion Document

WS0410154195 Warsaw GAZETA WYBORCZA in Polish 4 Oct 95 p 4

[Article by (KRZEM): "Controversy Over Minister Okonski's Statement; To NATO Without Conditions"]

[FBIS Translated Text] *Why did Defense Minister Zbigniew Okonski "so categorically support the idea of foreign troops and nuclear weapons being stationed in Poland" without an appropriate decision from the government, Democratic Left Alliance Deputy Tadeusz Iwinski fulminated yesterday.*

He was referring to a statement which the defense minister made when he was visiting the NATO headquarters in Brussels recently. Okonski said that once it is a NATO member, Poland would have nothing against the idea of stationing the allies' troops and nuclear weapons on its territory.

During yesterday's session of the Sejm Foreign Affairs and Defense Commissions, which was devoted to Poland's admission to NATO, the minister's statement was defended by Defense Commission Chairman Jerzy Szmajdzinski, who is a member of the same deputies' club as Iwinski. "The stand which the prime minister took was right. Poland should declare that it is ready to meet all the requirements of the Washington treaty. One cannot submit any conditions right at the beginning."

Also Deputy Defense Minister Andrzej Karkoszka said that only full membership in NATO comes into play. "When all of Europe is reducing armaments and withdrawing nuclear weapons, there is no need to hold a discussion on how much and what kind of weaponry from NATO will have to be stationed in Poland. This is a purely hypothetical issue, but we must certainly consider such a possibility. Today discussion of this issue will bring about more negative than positive consequences."

The debate of the two commissions was held a few days after the announcement of the NATO study which specified why and how the organization wants to expand.

Everyone—representatives of the government, deputies of the coalition and of the opposition—liked the document. Deputy foreign Affairs Minister Andrzej Towpik stressed that the document should considerably change further discussions on NATO expansion. "The Polish Government believes that such a verification of stances will be made in good faith and that the preelection games in Russia will not be any obstacle here," he said. He also informed that NATO is working on a Russian translation of the study.

Towpik stressed that expansion of the organization is an element of the new architecture of the European security. It must be accompanied by cooperation, envisioned in the "Partnership for Peace," with countries which do not aspire to become NATO members, including Russia.

Foreign Affairs Commission Chairman Bronislaw Geremek (Freedom Union) assessed the document more skeptically. According to him, it was a shortcoming of the document that it failed to say clearly that it was about admission of Poland to NATO. He said that Poland wants peaceful relations between NATO and Russia. However, the NATO document says "far too little than it should" on similar relations between NATO and Ukraine, which will strengthen the independent existence of this country.

Walesa 'Putting the Brakes on' Pluralism

LD0410174195 Warsaw Polskie Radio First Program Network in Polish 1500 GMT 4 Oct 95

[FBIS Translated Text] Lech Walesa said that the objective of his five-year term of office was to bring Poland closer to a normal existence. Speaking at a news conference devoted to the assessment of his term of office, Walesa said that Poland was still in the period of political, economic, and social reforms. These reforms are very difficult and require a revolutionary president who also has a practical attitude, Walesa said.

The president also said that the Poles should not have any more pluralism at present.

[Begin Walesa recording] I am a president of a country that has about 40 million people. This country is undergoing significant reforms, not just temporary ones but great reforms—political, economic, and social reforms. These reforms are very difficult and require not a scholarly approach, but a practical one.

We are not going to rediscover America or reinvent gunpowder. This has already been done. What we need now is to give assistance to our society so that it can do what obviously needs to be done. Such times require a more revolutionary president.

As regards pluralism, I am putting the brakes on. I will not impose more pluralism on Poland and the Poles, because two Poles make three political parties. However, what is encouraging is that two Jews make five political parties. [end recording]

Answering the question whether after a possible reelection the president would appoint Andrzej Olechowski as the head of the government, Walesa said that in some configurations Olechowski would make a good prime

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

minister, but this did not apply to every situation. He added he considered other people as well, depending on the situation.

Oleksy Previews Economic Program for Katowice

LD0410153295 Warsaw Polskie Radio First Program Network in Polish 1105 GMT 4 Oct 95

[FBIS Translated Text] Prime Minister Jozef Oleksy has said that the final work is being done before tomorrow's signing of the contract for Katowice Province. The implementation of the agreement is to lead to the economic restructurization of the province. The contract will constitute an agreement to cover a period of 20 years. In an interview for the Polish radio Prime Minister Oleksy pointed out that the contract had been agreed both by the government and the representation of the public from Katowice Province as partners:

[Begin Oleksy recording] This is not a matter which will create a new reality in Silesia at a drop of a hat. No, but the important thing is that after many years of resentment—justified resentment on the part of the residents of that region that Poland, after using the achievements and work of that region for many years—from today the problems affecting this region are being treated on a par with all the other problems. [end recording]

Prime Minister Oleksy thought that accusing his cabinet of ill will with regard to the issue of the concordat was unjustified. He said that in a democratic country there were procedures whereby issues such as the concordat should be decided by parliament. In an interview for the Polish radio Prime Minister Oleksy said that it was not this government which had signed the concordat and passed it on to the Sejm. However, he stressed, this government was upholding the motion.

Jozef Oleksy said that work on legislation surrounding the concordat was in progress. He added that the work had aroused a lot of controversy so far:

[Begin Oleksy recording] The main controversy is whether the government should be passing on further legislation concerning the concordat although it has not yet taken a decision on the ratification of the concordat. This is legislation ahead of its time. But, I say, even if this issue is disregarded, it is not true that the government is not working on the concordat legislation. It is true that it is not easy to formulate such legislation. There are experts, the Legislative Council is active—a bill is not just created by the prime minister. It emerges from certain procedures, which do not allow that certain suggestions, comments, proposals for changes and amendments, nor reservations, can be disregarded. [end recording]

Council Criticizes Ministry's Privatization Plan

WS0310130795 Warsaw RZECZPOSPOLITA in Polish 29 Sep 95 p 8

[Article by Antoni Kowalik: "Wishes Are Already There, but One Should Wait for Facts"]

[FBIS Translated Text] The Polish Privatization Ministry said that property worth about 750 trillion zlotys [Z] [old] is yet to be privatized, while other experts claim its value is twice as high. Even if we managed to sell everything out, it will be difficult to accommodate all budgetary needs anyway. This was said at a meeting of the Privatization Council held at the URM [Office of the Council of Ministers] on 28 September. The Council was discussing directions of privatization for the next year.

Differences in valuations of assets that so far remain in the hands of the state were caused by the fact that the Privatization Ministry failed to consider the revaluations that are currently being conducted at enterprises and which almost doubled their assets. Other than that, as Jan Macieja, assistant professor at the Polish Science Academy and author of the most recent valuation, emphasized, all data is in agreement with the statistics provided in a document titled "Directions of Privatization for 1996."

This data includes the number of not-yet privatized businesses: 3,610 enterprises and 386 State Treasury single-proprietor partnerships [jednoosobowa spolka Skarbu Panstwa], as well as 11 banks and three insurance companies.

Their aggregate value, calculated in the ministry's report as the net book value, is Z75 billion [new].

Most, 76 percent, of this property, belongs to 176 large state-owned enterprises. Even though such enterprises account only for 5 percent of all companies covered by the privatization plans, they form their fundamental part, because the rest are largely small companies whose privatization will not substantially shrink the state sector share. This group of large state-run companies and State Treasury partnerships holds 78 percent of the net fixed capital, produces 70 percent of the general net profit, and employs half of the workers.

This structure testifies to problems that will have to be resolved in the privatization process in 1996. Ownership transformations should cover all so-called behemoth enterprises, such as PKP [Polish State Railroads], whose net book value amounts to Z90 trillion [old]; KGHM Polska Miedz copper mining enterprise and the telecommunications provider, both Z18 trillion [old]; Huta Katowice metallurgical plant, Z12 trillion [old]; and Petrochemia Plock refinery, Z6 trillion [old].

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

As the above document suggests, these resources should be allocated for several goals, which include the following:

—meeting claims stemming from verdicts made by the State Tribunal, which were declared by the Sejm as justified and which will reportedly require about Z65 trillion [old];

—providing additional capital for the social insurance sphere, as some Z250 trillion [old] are necessary for launching pension funds;

—meeting privatization claims, which would require Z66 billion [old];

—repaying domestic and foreign debts; we are obligated to allow foreign creditors to purchase Z60 trillion [old] worth of assets;

All the most urgent budget expenditures were estimated at about Z700 trillion [old]. To this sum, you should also add approximately Z100 trillion [old] required for employers' stock, to which employers are legally entitled. In addition, some of the enterprises, such as PKP or Sieci Energetyczne electricity distributor, should remain in the hands of the state, thus bringing no profits to the state budget. This is why, as the Privatization Ministry stressed, the remaining part of assets that are subject to privatization is limited.

The document assumes that next year the privatization process will go more efficiently and faster than this year. It presented the already completed projects but whose implementation will be continued also next year. They include capital privatization that will be carried out in tobacco, chemical, pharmaceutical, food and beverages, machine and equipment, construction materials, and trade industries. It is expected that 90 companies will be privatized that way through tender sales and without negotiations, which are a delaying factor.

Direct privatization will cover 150 to 200 enterprises next year, of which 40 percent will be sold, 15 percent turned into partnership members, and 45 percent leased by other enterprises.

Also next year the National Investment Funds will fully launch their activities. The government, the document said, will seek to attract the stock of new partnerships to the National Investment Funds, regarding it as an efficient method for accelerating privatization.

Implementation of the pilot program Stabilization-Reconstruction-Privatization will be continued.

The Privatization Ministry document also specified programs that are planned for implementation, including compensation bonds, as well as compensation for pensioners, the budget-financed spheres, and pension funds.

However, Janusz Lewandowski and Jan Macieja, who are reviewers of the ministerial document, stressed in their reports at the Council meeting that these are nothing more than just intentions of the ministry, as none of the above programs has so far been approved.

It is not clear—and the ministry's document says nothing about that—what the privatization of banks should look like. Also nothing has been written about transformation of the petrochemical sector, ports, metallurgical plants, and mines, because it is up to the government and Sejm to decide what method should be chosen to privatize them.

Finally, the basis of the principles on which privatization will be carried out next year is not clear, because an appeal was filed against the new law regulating principles of commercialization and transformations to the State Tribunal.

Former Privatization Minister Janusz Lewandowski said that the condition of transformations conducted this year will be the starting point for privatization next year. He also added that the privatization process has never been slower than this year. Over the past seven months, only Z1.5 trillion [old] have been funneled to the national budget, compared with the planned Z15 trillion [old]. In addition, as was emphasized, privatization directions for next year reflect only the position of the Privatization Ministry. What will be left from this document after its "processing" by the government and Sejm, the reviewers asked?.

New Capital Privatization Method To Be Launched

WS0410124995 Warsaw GAZETA WYBORCZA in Polish 2 Oct 95 p 23

[Article by Elzbieta Glapiak and ORKA: "New Capital Privatization Method: Points for Companies"]

[FBIS Translated Text] *Each month the Privatization Ministry will hold special bids for 10 companies. Critics claim the new privatization method provides for revenues to the budget rather than the interests of employees of the companies for sale.*

The Privatization Ministry projects that 90 companies will be privatized by the capital method next year. "This will be possible thanks to the introduction of a procedure of selling shares by way of inviting written bids," says Deputy Privatization Minister Jozef Kowalczyk.

The shares of companies are currently sold by the following method: The Privatization Ministry announces a bid, investors submit their offers, the ministry selects the best bidder and detailed negotiations begin. The procedure may take longer than a year.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

The new method of selecting investors will not have this disadvantage. It provides for the selection of offers on the basis of a special eligibility form. Each offer will be marked on a scale of 1-90. Points are to be granted by a special commission made up of five members established by the privatization minister.

The point system proposed by the Privatization Ministry favors the highest bidding investors.

Former Privatization Minister Janusz Lewandowski claims the procedure will lead to a situation in which privatization will be seen only as a means of generating budget revenues. "The offered price is most important, and not, for example, the suggested social benefits," says Lewandowski criticizing the new privatization method.

Deputy Minister Kowalczyk admits that insufficient guarantees that the interests of the employers will be protected and the lack of a possibility for Polish businessmen to purchase shares in installments are the weakest points of the new sales method. "We hope, however, that this system of selling shares will mean a shorter waiting period to dispose of the firms, reduce the costs of privatization, and increase the number of privatized companies," says Deputy Minister Kowalczyk.

The first to go will be 256 companies owned by the State Treasury and registered before 31 December 1992. Prior to the bid, management boards must prepare reports providing basic information on their companies. The value of the company is then assessed by a consulting firm.

A commission of five members appointed by the privatization minister will grant points to all the bidders who want to purchase shares.

The point system is to be the following:

—up to 30 points will be given to those who bid the highest price for the offered shares;

—up to 20 points will be given for projected investments in amounts higher than specified in the bid invitation (for example environmental protection projects);

—up to 20 points will be granted to companies with prior experience in the industry branch which the privatized company represents;

—up to 10 points will be given for the number of shares the bidder is willing to purchase (a maximum of 75 percent of shares of the privatized company);

—up to five points will be given for a social package which is more advantageous than the one specified in the invitation to bid;

—up to five points will be given to renowned companies with a longstanding presence on the market.

Number of Companies Privatized by Capital Method

1990 (beginning Jul)	6
1991	21
1992	24
1993	48
1994	36
1995 (Aug)	13

Phone Firm Investigated for Revealing Data

LD0410223795 Warsaw TV Polonia Network in Polish 2000 GMT 4 Oct 95

[FBIS Translated Excerpt] The State Protection Office [UOP] has been investigating a case of the release by the Centertel company of personal data of cellular phones subscribers to the West. The UOP has not ruled out the possibility that Western intelligence services, taking advantage of this, could listen in to calls made by top officials in Poland.

The UOP has been investigating this case since the beginning of September, but the formal request by the communications minister was received by UOP chief General Gromoslaw Czempinski on 2 October. The Communications Ministry holds a 51 percent stake in Centertel. The remaining shares belong to Ameritech and Telekom.

To introduce new software to cellular telephony system, Centertel had to reveal data about its subscribers, i.e. their names, numbers, and addresses as well as reports of all calls and their duration, to the German firm.

[Begin recording] [Stanislaw Popiolek, deputy communications minister] There are allegations that times and telephone numbers which were connecting were revealed.[end recording] [passage omitted]

By matching the date and the time of a call to its recorded contents, Western intelligence services can easily establish the identity of the callers. Eavesdropping on the cellular phones is possible. [passage omitted]

The UOP has 30 days to come up with a clarification of the matter. If it turns out that Centertel's actions enabled western intelligence services to eavesdrop on top officials in Poland, the case will be sent to the prosecutor's office.

Centertel has set up a special commission whose task is to clarify procedures of revealing data to a foreign company which is responsible for sending bills and statements to Centertel subscribers. [passage omitted]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Iliescu Describes U.S. Talks as 'Open, Friendly'

AU0410173895 Bucharest DIMINEATA in Romanian 29 Sep 95 p 1

["Exclusive" interview with President Ion Iliescu by Carmen Radulescu in Washington; date not given: "The Visit Is Unfolding in an Excellent Atmosphere"]

[FBIS Translated Text] [Radulescu] Mr. President, could you please briefly comment on the talks that you held in the first two days of your visit here in Washington?

[Iliescu] The visit began and has continued in a very good atmosphere. Certainly the peak was the meeting and the dialogue with President Clinton, talks that unfolded in a very open, friendly atmosphere. We approached issues of utmost interest for us and examined the progress recorded in the past two years. Together we assessed the development of our political relations, as well as cooperation within international bodies, relations on a military level, and cooperation within the Partnership for Peace, but mainly the development of economic relations. We realized what a positive effect the endorsement of the law on commercial relations by the U.S. Congress—which also meant for us most-favored-nation status—had on us. I wish to emphasize that only this made it possible for us to double the volume of our commercial relations in the past two years. Therefore, we stressed the need to eliminate all obstacles and make the status permanent, without limiting it to a yearly approval. President Clinton agreed completely and said that this was also the request of the American business circles. One can perceive an opening and an interest here. The act of granting the most-favored-nation status on a permanent basis is the condition for long-term investments. Likewise, we expressed the joint wish to continue facilitating and developing the special Romanian-American relations at all levels. We also approached the issue of cooperation within NATO and the prospects regarding the expansion of the North Atlantic Alliance, and we expressed Romania's clear determination to achieve integration in European bodies and NATO. We regard NATO as a factor that ensures equal security and stability for all states in the area. We appreciated the fashion in which the U.S. side approached this issue also on the occasion of the Partnership for Peace and did so also in the case of expanding the organization without regional discriminations, showing that any attempt to introduce discriminatory elements and differentiation makes nothing but fuel sources of tension, a viewpoint that was also shared by President Clinton.

[Radulescu] Did you discuss other issues as well?

[Iliescu] Certainly. We exchanged views on many other issues, among them the situation in the former Yugoslavia, but also the progress recorded in Romanian-Hungarian relations.

We also had several meetings with members of the U.S. administration, with senators and members of the U.S. House of Representatives, with whom we discussed a wide range of issues.

I would like to mention that the meetings at the OPIC [Overseas Private Investment Corporation] with a large number of representatives of businessmen circles and at the National Press Center, because, as you could also see, both were very well attended and the participants showed a real interest. You could also notice the large number of questions that I was asked, something that proves the real interest of the Americans for Romania and the satisfaction with this direct dialogue that we held. Therefore, we can say that the visit is unfolding in an excellent atmosphere.

'New Page' Opened

AU0410123695 Bucharest Radio Romania Network in Romanian 1100 GMT 4 Oct 95

[FBIS Translated Text] Romania's President Ion Iliescu returned to Bucharest about one hour ago from his visit to the United States.

In a statement at Otopeni Airport, the head of the Romanian state reiterated a few conclusions about his visit, saying that it marked a new quality in Romanian-American relations. This was something that could be perceived both in the political talks held in Washington, and during the visit to the west coast, which is a particularly dynamic area in economic and technological development.

President Iliescu said that we must make use of this favorable climate and see to it that these relations, mainly in the economic area, receive a new impetus.

Regarding political issues, President Iliescu said that there was a common approach to issues involving NATO, European and euro-atlantic integration, and stability and security at a regional and continental level. He added to all this the good military relations, recalling the visit he paid to the Norfolk base and to NATO headquarters.

The president's conclusion was that there is a favorable climate for new relations at all levels and the visit opened up a new page in the history of Romanian-American relations.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Impact of U.S. Visit on Domestic Life Viewed

AU0410151795 Bucharest EVENIMENTUL ZILEI in Romanian 29, 30 Sep 95

[Editorial in two installments by Ion Cristoiu: "Ion Iliescu's Visit to the United States"]

[29 Sep p 1]

[FBIS Translated Text]

Possible Consequences for the Domestic Situation in Romania

There are a number of elements of Ion Iliescu's visit to the United States that suggest that America's goodwill toward the Iliescu's regime is mainly related exclusively to White House foreign policy calculations—elements such as the Romanian president's statements after the Oval Office meeting, the statements issued by the White House, the presence at the meeting of the two presidents of Florentin Popa, head of the Department for Army Outfitting and Logistics in the Ministry of National Defense, and the talks with William Perry. Strongly reminding one of the U.S. position towards Nicolae Ceausescu's [former Romanian president] regime, the sympathetic American attitude toward Iliescu could make some people believe that the the Romanian president's visit to the United States will have no impact at all on our domestic life. It would be a mistake to think this. First, because the Cold War times are over. The truth about the realities in Romania can no longer be concealed as it was in the Ceausescu era. So even if Bill Clinton did not show interest in Romania's internal situation, this does not mean that Iliescu can consider he has a blank check and start acting on the domestic plane like his predecessor, who was shot at Targoviste [Ceausescu]. Second, because the U.S. Administration is confronted with two important domestic factors: Congress and the presidential election campaign. No matter how much the U.S. President is compelled by foreign policy interests to overlook the domestic situation in a country like Romania, in the coming period he will not be able to ignore American public opinion on the situation in our country. This will find expression in Congress's attitude toward the Administration's decisions on Romania, as well as in the media campaigns. Therefore, even if the democratic shortcomings in Romania were placed in parentheses, this does not mean that the Iliescu regime can permit itself to continue or, even worse, intensify those shortcomings in the coming period. The signals emerging from Romania on the issue of violation of democracy, the staggering on the path of reform, and nationalism-communism will quickly be picked up by the American press and, no doubt, will provoke a reaction from both Congress and the electorate. As a result, the Administration will see itself compelled to curtail its current goodwill towards the Iliescu regime. As in fact was the case with the Ceausescu regime. The reason the Americans dropped the former dictator was not only the fact that Gorbachev had come to power but also the pressure exerted by American public opinion, particularly through the media, on the Administration to change its attitude toward the Ceausescu regime. In spite of the strategic interest that Romania has for the U.S. Administration, the PDSR [Social Democracy Party of Romania] and Iliescu would be terribly wrong if they were to draw from the White House meeting the conclusion that from now on they can do what they want in Romania with impunity. Moreover, I believe that both the ruling party and the president must bear in mind that, although at the meeting in the Oval Office the domestic situation in Romania was placed into parentheses, it is more than certain, after the conclusion of the visit, that the U.S. Presidency will pay much more attention to the course of reform and democracy in our country.

As I said in a recent editorial, the high level of American support contrasts with West Europe's position on our domestic situation, particularly regarding the issue of the Hungarian minority in Romania. It is a well-known fact that the European bodies, under the influence of a strong Hungarian lobby, provide grist for Hungary's mill of anti-Romanian actions on the issue of so-called oppression of the Hungarian minority in Romania. If America has shown that it wants us as an ally in this area of the world, the policy pursued by the UDMR [Democratic Union of Hungarians in Romania] and Budapest—of telling on Romania at the high European courts—will spectacularly diminish in effectiveness. The UDMR should thus critically analyse its recent policy based on using the European courts in its campaign to portray Romania as a country where minority rights are violated. The danger posed by the West's possible complicity in Budapest's revisionist plans has been an extremely generous issue for the nationalist-communists in Romania. The danger of a new Yugoslavia, of Transylvania being taken away, and of civil war was exploited by the PUNR [Romanian National Unity Party], PRM [Greater Romania Party], and PSM [Socialist Party of Labor], and even by the conservative part of the PDSR [Social Democracy Party of Romania] in brazen electoral demagogy. Turning Romania into America's ally takes the wind out of the sails of all the nationalist-communist alarm signals on the threat posed by Budapest's revisionist plans. It is clear that Hungary cannot allow itself any move if Romania is known to be under American protection. Hence, on the Romanian internal plane, a diversionist theme that used to divert the public's attention from

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the country's real problems will disappear on its own. We can benefit from a political life in which the parties deal seriously with the problems that really disturb the Romanians, that is, the economic problems.

[30 Sep p 1]

[FBIS Translated Text]

Possible Consequences for the Internal Situation in Romania

The caution shown by American and western businessmen investing in Romania was due to the hesitation showed by the American Administration towards Iliescu's regime. Discrimination in granting the most-favored-nation status and making the Romanian president wait at the door made many western investors hesitate about coming to Romania, a country they considered a too risky for their money. The American goodwill, expressed in the acceptance of an official Iliescu-Clinton meeting but also in the statements by high-ranking Administration representatives, constitute a signal that one can come to Romania. This visit might, therefore, result in a flow of foreign capital to Romania, and this, no doubt, will have a positive impact on our entire society. Iliescu will make his contribution to this during his American visit, if he can convince people there that his political will is directed toward democracy and the market economy. It all depends on the Romanian president's ability to remember that he is in America and not at Botosani, which means that it all depends on the Cotroceni [presidency] resident's conscience, and, unlike his travels in Romania, he cannot allow himself to express everything that comes to his mind.

Although everybody insists the contrary, the Romanian politicians are in the middle of an election campaign. Thus, reality compels us to ask how this campaign and therefore the balance of political forces in Romania will affect the success of Iliescu's visit to Washington? One should remember first that, on departure for America, Iliescu left behind incredible confusion at the leadership. His extraordinary efforts to meet with Bill Clinton, the statements of some high-ranking Romanian officials, and the subtle diplomatic moves of the Army conveyed the aspiration to place Romania under America's protection. The Washington event has shown that this ambition has been achieved. Nevertheless, Iliescu's political friends, that is, the PSM and PRM leaders, but also some leaders of the ruling party, have made hostile gestures towards and hostile statements about NATO, America, and the West in general. This typically Dambovita [river crossing in Bucharest) type of discord is attributed to the nature of the Romanian president's personality, as well as to Iliescu's efforts to stay in power. It would have been more logical for the president and ruling party to display a firm stand towards the the PRM's and PSM's anti-western policy. Will this happen after Iliescu's return from America? I believe that it is not the president who will continue this ambiguous policy, which can be readily described by the Romanian proverb about leaving no stone unturned. If the Washington event, that is, the moment when we moved under America's protection, has a decisive impact on the majority coalition, it will not be the result of one of President Iliescu's or the PDSR's actions. One would expect the move to come from the PRM and the PSM. These two parties rely on an anti-western electorate, dominated by the remains of a communist mentality regarding NATO and America. Though of a rather reduced size compared with the rest of the population, this electorate is important for some parties, which do not hesitate to eulogize communism and criticize what they would call Romania's kowtowing before foreign capital and Anglo-American imperialism. Today, through Iliescu's visit to Washington, one could clearly see that the PDSR and the president have placed Romania under the protection of the United States. Seeing this happen, the PRM and the PSM can no longer continue with the policy they have pursued so far, namely a policy of participating in government while expressing verbal criticism of Romania's orientation towards the West and towards America. In light on the election campaign, they risk losing their electorate. Thus, one would expect that the act of clearing troubled waters will start with the PRM and the PSM and that these parties, perceiving the danger of finally losing their identity in relations with the PDSR, will provoke a spectacular divorce from the ruling party and from Ion Iliescu. This would be the only expected change at the level of the government coalition following Iliescu's visit to the White House. However, being familiar with the Romanian mentality, we are bound to believe that this necessary act of clearing troubled waters will not take place. Created by Ion Iliescu, the way Boris Yeltsin created Zhirinovskiy, these parties are not strong enough to join the opposition. Therefore, except for some mumbling at various news conferences, they will not take radical decisions regarding Romania's pro-American orientation, an orientation confirmed during the Bill Clinton-Ion Iliescu dialogue.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Fears Iliescu's Visit for Electoral Gain

AU0410180795 Bucharest ADEVARUL in Romanian 29 Sep 95 p 1

[Editorial by Octavian Paler: "The Rest Is Mere Diplomacy"]

[FBIS Translated Text] It would undoubtedly be stupid to extend our reservations about the Iliescu regime to the Romanian president's visit to the United States. Whether we like it or not, Ion Iliescu is currently our head of state. Moreover, the United States is not just a country like any other. I am not among the admirers of American pragmatism, which turns absolutely everything into a "deal," but this does not prevent me from considering the United States a great nation, with a backbone. It is true that a skyscraper only gives you physical dizziness, while a Gothic cathedral or the pyramids can transpose you into a metaphysical daze. What I mean to say is that, if progress means "inner progress," then, in my opinion, the United States displays an impetuous and disquieting regression. However, if we accept that technological progress is also progress, then the United States can throw a scare into Europe. The United States' capacity to create new technology and to colonize the world technologically is extraordinary. Therefore, we cannot ignore such a pragmatic monster—which is capable of winning one Nobel Prize after the other and flex its electronic muscles wherever there is a conflict in the world—unless we want to sentence ourselves to damages and dangers, which are hard to estimate.

Without retracting anything from what I have said all these years about the misfortune of having, at the head of our country, a president who cannot help us to rid ourselves of the consequences of World War II, I am glad that Ion Iliescu saw his dream—of stepping into the Oval Office of the White House—come true. It is vital for us to escape the shifting sands of the former dependency space allocated to us in Yalta and to step on "firm soil" under our feet, where one can feel secure. Likewise, we should not consider ourselves offended by the fact that the U.S. diplomacy does not care about our happiness or unhappiness, but only about its strategic interests. Politics is not done with feelings, but from calculations. What is important is that our interests should coincide with those of the White House, when we decide upon the course of our relations, and if the United States' strategic reasons can help us ease off our "geographic" obsessions a bit, it is all for the better. Proof of this is that I do not care about the opportuneness of Ion Iliescu's reception at the White House. I welcome this reception, regardless of the reasons that prompted it. I am more concerned about other matters.

As a Romanian, I cannot forget, for instance, that there is a long-standing "complex of the Sublime Porte" [the government of the Ottoman Empire] in our psychology. For centuries on end, the removal or crowning of the rulers in our principalities was arranged in Istanbul. In the last centuries, those who did their studies in the West gradually replaced the "Turks," who were used to behaving and thinking in the oriental way. Later on, the Red Army moved the "Sublime Porte" to Moscow by the force of their tanks. Today, the "corrupt young bullocks" trained by the KGB and their friends have not ceased looking toward the East, while other-minded internationalists are discretely kowtowing to Strasbourg and other Western capitals, leaving the impression that they come from a province of history whether you are either servile or mocking. Well, I admit that I would not like to see these bad habits being protracted to the White House. Not because of some Funar [Gheorghe Funar, leader of the rightist-nationalist Romanian National Unity Party]-like conceit, but rather because I do not think it normal to trample around any Sublime Porte. We must have the intelligent modesty to avoid putting on airs, but also the dignity of returning to our true selves.

In another order of ideas, we can recall that during Ceausescu's time and even afterward, we were always told that the usual, banal, hypocritical, and champagne-splashed protocol dinners meant that the West has a good opinion about what is going on in Romania. Therefore, I am afraid that the reunited orchestras of the television and press, which flatter the power, will give a festive concert on Ion Iliescu's visit to the United States, suggesting and even telling us that, unlike our "domestic detractors," the United States is more aware of the "steps forward" made by our country, that the U.S. Administration knows of our successes, and so forth. But then, this tune is known to us, since we have heard it before. To be more precise, I am afraid that we may wake up one day with Bill Clinton turned into an electoral asset and the United States mixed up, against its will, in the electoral campaign in Romania. The rest is mere diplomacy.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Ambassador Interested in Compromise With Croatia

AU0410155795 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 4 Oct 95

[FBIS Translated Text] Quoting the Croatian agency HINA, STA [Slovene Press Agency] reported that Slovene Ambassador to Croatia Matija Malesic during a visit to Split stated that Slovenia was willing to make a compromise regarding the sea border between the countries.

According to him, the resolution of this problem would allow the resolution of all other controversial issues. STA also reported that Malesic voiced Slovenia's satisfaction with the success of the Operation Storm and Croatia liberating the occupied territories.

The ambassador also discussed economic issues with his hosts.

Budget Surplus for 1996 Reportedly Planned

AU0410123795 Ljubljana DELO in Slovene 30 Sep 95 p 1

[Article by Miha Jenko: "Budget Surplus Envisaged To Be 13 Billion"]

[FBIS Translated Text] Ljubljana, 29 September—The government today passed a budget memorandum for the coming year. Following a strenuous interdepartmental coordination, it is expected to send the proposal on the state budget to the parliamentary procedure with a few days delay next week. As it is known, the expenditure of the state budget next year should not exceed 570 billion tolars, however, the budget incomes would amount to approximately 583 billion tolars, according to our information.

The envisaged surplus, which would be created within the limits of the state budget, will supposedly be intended to cover expected deficits in other public finance treasuries. The total public expenditure (which contains four public finance budgets; treasuries to finance municipalities, pensions insurance, and medical insurance apart from the state budget) should amount to 1.1 trillion tolars. This would make 46 percent of the GDP, which is approximately 0.7 percent less that this year. We must take into account that various macroeconomic projections of the public expenditure are "in circulation" that take into consideration several possible scenarios for the solution of the financial problems of the pensions and medical treasury.

As one can conclude from the budget documents available so far, on the side of the budget expenditure, we should secure funds for the additional transfers to the pensions insurance fund and to cover the most pressing losses in the medical care in the coming year. One of the priority matters will also be the repayment of succession obligations, as the total repayment of debts and interests to the foreign creditors would amount to 40 billion tolars.

The budget memorandum contains a macroeconomic framework for the coming year and defines the goals and measures of the economic policy. According to the projection, the GDP should increase by approximately 5 percent and would amount to about 2.4 trillion tolars. Among the memorandum goals, which are not considerably different to this year's, there is also a further reduction in inflation (according to one of the variants, the prices between this and the coming December would grow by 6.5 percent at the most) and a 1-percent increase in employment. The set memorandum goals also involve a projection that all types of consumption would grow slower than the GDP, which would consequently gradually bring down its share in the GDP.

The basic budget priority is supposed to be support for the economy and removing burdens on it. This would involve subsidies for exporters to increase their competitiveness, the stability of prices, the balancing of public finances, and so forth. As we have learned, the government rejected the possibility of covering public finance expenses with higher taxes. With bigger transfers to the pensions treasury, we are supposed to reduce the total social security contribution. The maneuvering space for the balancing of the public expenditure is supposed to be expanded by shrinking material expenses and making smaller investments in the public administration. This means crossing out expenses for state vehicles and premises. Today's coordination of the expenditure of individual ministries and other consumers—their initial demands exceeded 750 billion tolars altogether—is supposed to continue until next Thursday, when the government is expected to pass the budget. The ministries were instructed today to search for "inner reserves."

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Federal

Milutinovic on Peace Talks, Attack on Gligorov

LD0410191095 Belgrade TANJUG in English 1842 GMT 4 Oct 95

[FBIS Transcribed Text] Belgrade, Oct. 4 (TANJUG)—Yugoslav Foreign Minister Milan Milutinovic said Wednesday the Bosnia ceasefire 'does not depend on us (Yugoslavia and Bosnian Serbs), but on the other two sides (Bosnian Muslims and Croatia).'

Speaking during a break in a session of both chambers of the Yugoslav parliament on the peace process in former Yugoslavia, Milutinovic announced that the problem of the ceasefire would be resolved in a few days.

The session is taking place behind closed doors.

Speaking to reporters, Milutinovic warned that threats to the peace process were always present and were never accidental.

'Both we and the international community must be cautious that no one make a wrong move at this time, because, if that should happen, everything would go back to the beginning,' the Yugoslav foreign minister warned.

Milutinovic said the international community should also force the other side (Muslims and Croats) to stop causing conflicts.

'Earlier under bombs (NATO air force attacks on Bosnian Serbs), and now under attacks (the Muslim-Croat offensive in western Bosnia)—a negotiating process cannot be held (that way), since it cannot yield any results objectively in such circumstances,' Milutinovic said.

The logic that the sides should first reach agreement, and that peace should then begin, leads nowhere, Milutinovic said. This is 'an old tactic of putting off a solution, because the other side has a strategy of war, and not peace, and behaves accordingly,' he said.

The New York agreement 'got half the job successfully done—agreement has been struck on constitutional principles (for Bosnia), nothing less will do, and that is the main achievement,' Milutinovic said.

The harder part of the job remains to be done—the division of territories, and that is not simply a 51-49 percent ratio, 'but for quantity and quality to be in correlation,' he said.

Each territory has its economic, traffic, cultural and other values, because one square meter in one place is not the same as one square meter in another place, Milutinovic said. 'There will be much to do (regarding this issue), but solutions will be found,' he was confident.

The Bosnia peace plan envisages that one entity—the Federation of Bosnian Muslims and Croats—will get 51 percent, and the other entities—Republika Srpska (the Bosnian Serb state)—will get 49 percent of the territory of the former Yugoslav Republic of Bosnia-Herzegovina.

Milutinovic said deputies in the debate so far had given unreserved support to the policy of peace of the Yugoslav government, with different 'shades which are natural to a multiparty system.'

From 1992 until the present day, Belgrade has backed all peace plans for Bosnia, starting from the plan tabled by Portuguese diplomat Jose Cutileiro, to the latest initiative launched by the United States.

Asked to comment on an agreement reached between representatives of the Serb-populated Srem-Baranja region and Croatia in Erdut on Tuesday on the basic principles for further negotiations between these two sides, Milutinovic said it was the beginning of a peaceful solution for the problem in that region.

The Yugoslav foreign minister strongly condemned the assassination attempt on the life of President Kiro Gligorov of the Former Yugoslav Republic of Macedonia on Tuesday. Milutinovic said that those behind this assassination attempt did not care at all for the resolving of the crisis in the territory of former Yugoslavia.

'It is evident that the assasination was aimed at destabilizing Macedonia,' Milutinovic said.

Outlines Peace Expectations

AU0410223095 Belgrade Radio Beograd Network in Serbo-Croatian 2100 GMT 4 Oct 95

[Interview with FRY Foreign Minister Milan Milutinovic by Tamara Motrenko in Belgrade on 4 October—recorded]

[FBIS Translated Excerpt] [passage omitted] [Motrenko] What are your expectations before tomorrow's expanded meeting of the Contact Group in Rome? Much is expected of it, as there have been many statements made by world statesmen and carried by the world media.

[Milutinovic] This does not depend just on the Rome meeting. It depends on today's and tomorrow's meeting—that is, on the extent that the things on which Mr. Holbrooke has been working are coordinated. Therefore, a lot more depends on that than on the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Rome meeting. The meeting in Rome has its topic and that is the reconstruction of Bosnia following the peace process. This is the main topic. Whether there will be any additional topics remains to be seen today and tomorrow. [passage omitted]

[Motrenko] Minister Milutinovic also explained what issues and aspects of the peace process dominated the debate in the Federal Assembly—that is, what the Assembly deputies mostly asked about.

[Milutinovic] This text from Geneva and New York must be very carefully read. This is a text that includes everything, however one must know what is behind these sentences and what discussion it is about to be able to grasp the entire complexity and value of the words. Therefore, the paper is short, but not curt. It, in fact, includes everything if it is read very carefully as we fought for every comma, every word, and every full stop in a sentence, and both these papers express much, and the basic thing is that they express a full equality of the Serb people in Bosnia-Herzegovina.

I think that this is the greatest achievement of both these papers. Of course, there is also the way we are going to carry out this entire peace process. One cannot go back, and the foundations have been set here.

[Motrenko] Minister Milutinovic was also asked when the peace conference can be realistically expected to be convened.

[Milutinovic] Well, it is hard to say. That depends on many factors. We hope it will be soon. I would not go into diplomatic astrology and say it will be soon, tomorrow, or the day after tomorrow. One should wait a couple of days, a week, and see. Or maybe a day or two. [passage omitted]

Discusses Attack on Gligorov

AU0410172295 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 4 Oct 95

[Interview with Foreign Minister Milan Milutinovic by unidentified reporters during the Federal Assembly session break in Belgrade on 4 October—recorded]

[FBIS Translated Text] [Milutinovic] The session is closed but is moving along, if I may say so, its normal course. I think that we will be in a position to adopt certain conclusions today. I think that the deputies who are present here have understood very well the meaning and seriousness of the moment that we are discussing, the peace process, and I hope that in contrast to earlier situations, we will now be in the position to get support in the Federal Assembly for what we are doing.

[Reporter] Mr. Milutinovic, how would you assess the peace process at this moment? What stage has it reached? Are there any dangers for it considering, if we can say, the bad behavior of the other side?

[Milutinovic] Dangers are always present and they are never accidental. They are always created deliberately. However, I think that this time the international community has decided to complete the job. Of course, not everyone in the community agrees that it should be finished, but they, too, see that there is no other way than to finish the job. Of course, in all this we and the international community must be cautious so that no one makes a wrong move at this moment. If this happens, then we would have to do everything from the beginning. I think this will not happen.

[Reporter] Can you comment on what happened to the Macedonian [The Former Yugoslav Republic of Macedonia—FYROM] president?

[Milutinovic] I do not want to comment much in the sense in which you would probably want me to comment, in the sense of who had done it. I do not know, but what happened is horrible. I think this is the first time in the former Yugoslavia that such a type of assassination was carried out on a politician. This deserves all condemnation, and our government has done it. We were particularly affected by this because he was here only one day before. I personally saw him off. This was proper. This was the republic that has been behaving in the most restrained way and most correctly in all this post war period, so to speak, or in this period of crisis. All events there happened without a drop of blood being spilled, so to speak. This obviously did not suit some people. I do not have anything to say, nor can I say anything about what actually happened from the point of view of security, nor who did it.

Government Condemns Attack on President Gligorov

LD0410135395 Belgrade TANJUG in English 1246 GMT 4 Oct 95

[FBIS Transcribed Text] Belgrade, Oct 4 (tanjug)—The government of the Federal Republic of Yugoslavia condemned in the strongest terms the assassination attempt against the president of the former Yugoslav Republic of Macedonia (FYROM), Kiro Gligorov.

The official statement said that the federal government condemns the 'criminal terrorist attack on the president of FYR Macedonia, Kiro Gligorov, who had just returned from a visit to the FRY, where he held very important and useful talks with the president of the Republic of Serbia, Slobodan Milosevic, about the

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

normalization of relations and cooperation between the two neighbouring countries and about the situation in the Balkans in general'.

The criminal act was perpetrated at a time of when the process of stabilization in the Balkans was starting to yield concrete results, the statement said.

The FRY government considers that the assassination attempt is directed not only against President Gligorov, but also against peace and security in the Balkans and against the interets not only of the Macedonian, but also of all the peoples in that part of Europe.

The Yugoslav government has expressed its best wishes for the speedy recovery of Kiro Gligorov, and hopes that he will soon continue his fruitful activity of statesman.

Assembly Endorses Government's Peace Policy

AU0410221995 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 4 Oct 95

[Report by Sonja Djuric, including statements by SPS Vice President Goran Percevic; SPO leader Vuk Draskovic; and FRY Foreign Minister Milan Milutinovic in Belgrade on 4 October—recorded]

[FBIS Translated Text] At a joint session of the Chamber of Citizens and the Chamber of Republics of the Federal Assembly, which discussed the current issues concerning the peace process, the majority of deputies expressed unreserved support to the peace policy of the federal government.

[Djuric] A joint session of the Chamber of Citizens and the Chamber of Republics that was held in the federal assembly had only one point on the agenda, the current issues concerning the peace process.

The introductory speech was made by Foreign Minister Milan Milutinovic. The assembly debate on the foreign policy of the federal government in the peace negotiations was demanded by a group of DEPOS-SPO [Democratic Movement of Serbia-Serbian Renewal Movement] deputies through interpellation. The initiative also came from the deputy caucuses of the SPS [Socialist Party of Serbia] and the DPS [Democratic Party of Socialists] of Montengro. Considering the importance and the delicate nature of the topic, and especially taking into account the fact that the negotiations on peace are in progress, the majority of deputies in both assembly chambers decided that the debate be held behind closed doors.

Dissatisfied with this decision of the great majority of the deputies, the following parties walked out from the session: Seselj's Radicals, some members of the deputy caucuses of the Democratic Party led by Zoran Djindjic, and some members of Kilibarda's People's Party of Montenegro.

[Percevic] Today's debate on the foreign policy in the assembly of the Federal Republic of Yugoslavia has above all expressed recognition to our negotiating team that took part in the peace process, considering the capital result that was achieved with the agreements in Geneva and New York, and the fact that perhaps for the first time, five big powers, and all three sides in the conflict reached a position for which our country and the SPS have been striving for since the beginning—that is, equal treatment as a condition for a lasting and just solution.

The deputies expressed support to our negotiators, above all, President Milosevic, for continuing the peace process on the basis of the principles that have already been agreed on in New York and Geneva. I think that this support is not a surprise, considering that the Federal Assembly—or better said, a vast majority of deputies in it—had even earlier expressed their views through a large number of decisions and declaration with which they supported a political solution and the peace process on the basis of the principles that have now been adopted.

Some deputies left the assembly session and this reflects the lack of interest on their part for a serious discussion and for finding the ways to peace and a peaceful solution. I think that their departure, in fact, indicates a definite poltical departure of these political parties from the political scene of Serbia with the arrival of peace and stabilization of the situation in this region.

[Draskovic] At today's session of the federal parliament, the view of the SPO could be summed up as follows: We are going through crucial, dramatic, and historic moments, and we now have two roads in front of us. The first road is being favored by some political parties. In other words, they want us to embark immediately on a military march toward Knin, to enter a war against NATO, against the United Nations, whatever happens.

The other road is the road that was also advocated by the SPO in the assembly today; that is, that this steamroller of death and misfortune must be stopped, that peace must be established, that sanctions be lifted, and that Serbia then be reborn from within—economically, spiritually, democratically, and in every other respect—that Serbia embark on European paths toward integration in Europe and seek the unification of our lands, which is our ideal, our aim, in the same way in which unification was, for instance, achieved by the Germans. This path will be recognized by the world.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I regret very much that the parties that advocate the first war option, the shortcut to national unification, ran away from the assembly debate because there was no live television relay. Perhaps they are right, but today they ran away and did not answer the key questions:

What secret weapons do we have to defeat the world and NATO? What major powers have given us guarantees that they will support us in this war? If we win against the world, will the world accept a state created in such a way? Can we after that live under sanctions for years? Does the Serbian nation as whole have enough young men in order to defend the borders of that state under the conditions of war with the entire world?

These questions were not answered. Those political parties that have recently and vociferously issued a declaration on the urgent unification of the Serb lands and elections for a constituent assembly were not present at the session either.

Regarding the aims and elections themselves, the SPO is in favor of them, but they were not here to explain to us how they think they will achieve this or to tell us whether they are offering something possible or suicide and the impossible.

They were obviously not prepared to explain this [discrepancy]. The question then arises of [making] such a declaration [if it is only] to deceive the people and push the people in new misfortune only to mourn over that misfortune later.

I regret that the session was closed. There are some topics that cannot be discussed in front of television cameras. Today, we discussed the details that no serious country in the world, especially in this dramatic moment, would discuss in front of television cameras and discuss them as if a discussion were held in the street. Some of our citizens will probably not understand this. Perhaps it would be more popular to have a live television relay so that people can hear who did what and who slept with whom. Many people like the circus, but Serbia, our people, do not need the circus. We have exhausted our right to circuses.

[Correspondent] What did you pay most attention to in your speech?

[Milutinovic] The current peace process. I explained what stage we have reached, what the next steps are, and what the obstacles are on that road. I have also expressed justified optimism that we have covered an important and a good part of the road, and that we can expect, if obstacles are not created by some sections of the international community, that we will soon witness the end of the peace process.

[Correspondent] What is the essence of the conclusions reached by the Assembly, and what do these conclusions mean?

[Milutinovic] These conclusions mean a lot. At this moment they represent great and unified support of the FRY Assembly. This support is undivided. All deputies who were present supported the peace process, supported the speech, and supported the direction of our activities as a whole. I do not want to exaggerate, but I think that when all the parties that were present there unanimously support issues such as the international policy and the peace process, without a single vote against the (?conclusions of the Assembly), this represents a big step in parliamentary practice.

Duma Visitor on Russian Vote for Sanctions

LD0410142995 Belgrade TANJUG in English 1221 GMT 4 Oct 95

[FBIS Transcribed Text] Belgrade, Oct. 4 (TANJUG)—Head of a visiting delegation of the Russian parliament's lower house Aleksey Mitrofanov said Wednesday that Russia should apologize to Yugoslavia for voting for the U.N. sanctions against it, which he said was a mistake.

The head of the State Duma's delegation told the press at the Yugoslav parliament that his delegation, which ends a six-day visit to Yugoslavia on Wednesday, would raise in the Russian parliament the question of why Russia had voted for the imposition of the sanctions against Yugoslavia in the Security Council in 1992.

Mitrofanov said Russian President Boris Yeltsin had rejected to sign a passed bill on a unilateral lifting of the sanctions against Yugoslavia but said he, personally, hoped '300 parliamentary votes will be secured to override Yeltsin's veto.'

The Russian parliamentarian said hardly anyone in Russia had known anything about the core of the Yugoslav problem a year ago but the situation had totally changed thanks to the frequent visits paid by Russian parliamentarians.

Russia is currently considering creating a military-political alliance of the countries threatened by the so-called world community.

He said the alliance could comprise Russia, Serbia, Bulgaria, Cyprus, Greece, Belarus, Georgia, Iraq, Libya, African and Asian countries and all states which feel threatened geopolitically.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Belgrade Begins Underwater Coal Exploitation

LD0510110095 Belgrade TANJUG in English 1033 GMT 5 Oct 95

["Ecopool" item]

[FBIS Transcribed Text] Belgrade, Oct. 5 (TANJUG)—Yugoslavia has successfully begun exploiting coal from the river Danube bed near Kovin, 40 km east of Belgrade, the Belgrade daily POLITIKA reported on Thursday [5 October].

Yugoslav experts estimate that high-quality lignite reserves amount to at least 220 million tonnes.

Coal will be digged out by a huge dredger whose capacity is 600 tonnes of coal per hour at the 19 metre-depth, the paper said.

Bosko Perosevic, premier of Serbia's northern province of Vojvodina, said at an opening ceremony that this investment showed that Serbia had potential to become one of the most developed countries in Europe.

Serbia

No Cease-Fire Agreement in Talks Reached

LD0510074595 Belgrade TANJUG Domestic Service in Serbo-Croatian 0144 GMT 5 Oct 95

[FBIS Translated Text] Belgrade, 5 Oct (TANJUG)—Following more than six hours of talks with Serbian President Slobodan Milosevic in Belgrade late yesterday evening, Richard Holbrooke, head of the U.S. negotiating team for former Yugoslavia, said that the main topic was the prospect of reaching a cease-fire.

"We do not have a cease-fire at this point," Holbrooke said adding that "both sides want one but the distance between them is still a problem."

Holbrooke also said that he was impressed by interest displayed by journalists who were waiting for his statement on the results of the talks until early this morning, saying that time goes fast when talks are held in a good atmosphere.

Holbrooke is traveling to Sarajevo today in an attempt to bridge the gap between two positions on a cease-fire.

Russia's Ivanov Briefs Journalists on Talks

AU0410160895 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 4 Oct 95

[Report by Jugoslava Zagorac]

[FBIS Translated Text] After his meeting with Serbian President Slobodan Milosevic, Russian Deputy Foreign Minister Igor Ivanov made a brief statement for journalists, stressing that he is an optimist regarding the peace process in the former Yugoslavia. Jugoslava Zagorac reports;

[Zagorac] Russian Deputy Foreign Minister Igor Ivanov told journalists that he had held extensive talks with Serbian President Slobodan Milosevic and that he had conveyed to him a message from President Yeltsin expressing Russia's readiness to invest great efforts to establish peace in the former Bosnia-Herzegovina.

Ivanov stressed that guiding itself by this stand, Russia has decided to resume the delivery of natural gas to Sarajevo as the Russian side is convinced that this will help achieve a final cease-fire. Ivanov also stressed that a long road has been covered to prepare the peace conference that should be held as soon as possible.

Regarding the Muslim side, in reply to a journalist's question on what Russia will do if the government in Sarajevo continues to obstruct the peace process, Ivanov said that members of the Contact Group are actively engaged in talks with all the sides in the conflict, and that all outstanding questions will be tackled at the forthcoming meeting of foreign ministers in Rome. He also said that Muslim Prime Minister Silajdzic, who recently visited Moscow, was presented Russia's firm stand that a lasting peace must be established as soon as possible and that, in addition to an active role in the peace process, Russia also expects a prominent place in the reconstruction of the region after peace has been established.

As Russian Deputy Foreign Minister Igor Ivanov said, he will meet the representatives of Serbs from Bosnia today.

Sandzak LBO Condemns Pro-Serb Bosniaks

AU0310171695 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 3 Oct 95

[FBIS Translated Text] The Liberal Bosniak Organization [LBO] of Sandzak has strongly condemned some individuals from the ranks of the Bosniak people who have accepted the roles imposed on them by the Serbian regime. This was stated today at a news conference of this party.

Using marginal political parties and individuals in Sandzak, the regime is trying to impose on the Bosniak people of Sandzak a political leadership that would represent the regime's interests in the negotiations on the status of Sandzak and the status of Bosniaks living in it, and not the political interests of the people, Hasim Zoranic, president of the LBO of Sandzak, said, among other things, at a regular news conference in Novi Pazar.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Montenegro

Prevlaka Issue To Be Solved by Agreement

LD0410213695 Belgrade TANJUG Domestic Service in Serbo-Croatian 2046 GMT 4 Oct 95

[FBIS Translated Text] Belgrade, 4 Oct (TANJUG)—Svetozar Marovic, speaker of the Montenegrin Assembly and a deputy in the Citizens' Chamber of the Yugoslav Assembly, told TANJUG this evening that the question of Prevlaka [UN-controlled southern tip of Croatia] will be resolved in the framework of a global political agreement.

In a statement at the end of the session of the two assembly chambers, Marovic stressed that this was the standpoint of Yugoslavia's negotiating team, and that, as the federal foreign minister has confirmed, "the question of Prevlaka is progressing at the expected speed."

Belgrade Accused of Anti-Montenegrin 'Frenzy'

AU0310200895 Podgorica MONITOR in Serbo-Croatian 29 Sep 95 p 8

[Commentary by V.J.: "Sociology of Anti-Montenegro Sentiments"]

[FBIS Translated Text] Mr. Milo Djukanovic has been accused by the highest authority in Belgrade of being a smuggler, with the accompanying remark that such people ought to be in prison. By coincidence, on the same day that Mirjana Markovic [Milosevic's wife] attacked the Montenegrin prime minister, a convict, Visnjic, [Serbian Radical Party member] sent a message to Djukanovic from a Radical rally in Belgrade that, if he went ahead with his planned trip to Washington, "the Serbian Radicals would knock his block off." So many harsh words have been addressed to Djukanovic and all after an interview in Belgrade NIN in which he said that Montenegro's equality was the condition for the survival of the alliance with Serbia!

That is nothing new in Belgrade: Every hint of a Montenegrin identity is seen here as "aggressive Montenegrinhood that insults the dignity of the Serbian people," as Dobrica Cosic wrote to Milosevic on 8 April 1992 on the occasion of the adoption of the principles of the alleged constitutional equality in the state that was constituted not long thereafter. No one here has any serious doubts that Montenegro's Socialists are sincerely (and out of their own interest) in favor of an alliance with Serbia, but there is concern that at least some of them (such as Djukanovic) are not ready to accept the change in the constitutional and legal position of Montenegro in the so-called federation, which is the key element of Serbian policy toward Montenegrins.

Mirjana Markovic, once an anonymous and irrelevant sociologist, has over the last few years imposed herself as an important political factor that influences Serbia's foreign and internal policies. Last summer she gathered former daddy's boys, various generals' brats, state monopolists, and diehard communists from former party committees into the Yugoslav United Left [JUL], which has been "infiltrating" the bodies of authority via her marital bed. This has created chaos: Owing to the JUL, legendary Socialist aces such as Vucelic, Markovic, Jovic—it seems also Minovic from POLITIKA—have been removed, and Belgrade rumors have it that a reshuffle is about to take place in the Serbian Government to include JUL representatives, although some of them are already ministers.

The JUL is like a virus, which reminds many people of its communist roots, and it has also been spreading in Montenegro, particularly affecting managerial structures and directors-monopolists, who thus weaken the chain of command that is chaired by the invincible Djukanovic. He, of course, is "a concealed separatist," who on top of that refuses to hand over power "peacefully." That of course worries Mirjana Markovic since the JUL party program—and she wrote it—says that this present Yugoslavia is to be rearranged as a community of regions and Montenegro is to be a region. Thus anxiety took over from hope among Montenegro's Socialists. In every public address they swear by "the federal state," proving their loyalty to this quasi-idea, but with time this has turned into justification that breeds doubts, suspicion, and finally separatism, which is what Belgrade calls the national identity of Montenegro.

The Serbs, on the other hand, neither swear by "the common state" with Montenegro nor pay much attention to this problem, except in the context of speculation on Montenegro's quest for independence. They use "Yugoslavia" as a smokescreen in the hope of dragging out to their shores the corpse of the legality and legitimacy of the SFRY in order to achieve the goals of their national program (which is not going their way), and they cannot go it alone. They have to have someone with them. Someone has to be their satellite and slave. They have to have someone on whom they can also occasionally vent their national frustrations.

When the Montenegrins want to contact the world through their Foreign Ministry or national airline, Belgrade goes up in arms. When the Montenegrins shyly say that they are Montenegrins, Belgrade again goes up in arms. When they say that Montenegro is a state, Belgrade goes up in arms. Serbia, as it is now, does not accept the Montenegrin identity and this is the current and historical reality. In its frenzy of anti-Montenegrin fury, Serbia wants to strangle everything, destroy forever, en-

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

slave, and humiliate. The accusation against Djukanovic is but one moment in the dozens of years old Serbian policy toward the Montenegrin state. The Montenegrin crown and church had already disappeared in the whirlpool of Serbian fury, when many years later some people in Montenegro again brought out the Montenegrin flags, and the worst kind of abuse fell upon them. They have been branded "ustasha," "foreign mercenaries," and now "smugglers."

The sociologist, whose son has rented a house in Athens for 150,000 German marks to start a great business project of smuggling oil to daddy's private property, Serbia, is only yet another episode in this campaign.

Split Weekly on Independence of Montenegro

95BA0345B Split FERAL TRIBUNE in Serbo-Croatian 21 Aug 95 pp 25-26

[Interview with Slavko Perovic, president of the Liberal Alliance of Montenegro, by Drago Hedl; place and date not given: "The Drafters of a Line of Hatred"]

[FBIS Translated Text] [Hedl] After all that has happened in Croatia and Bosnia-Herzegovina, do you think there really can be a "peaceful divorce" of Montenegro and Serbia in view of Serbia's strategic interest of having an outlet to the Adriatic Sea?

[Perovic] That question is really difficult, because assessment of the military factor lies behind it. But we are responding to that by asking Belgrade: What do they think we are going to do with the sea? Are we going to pump it away, take it off somewhere? That sea remains where it is. But we ought to arrive at an agreement based on principle as to how this should be paid for. On the one hand, the FRY [Federal Republic of Yugoslavia] will not be able to play the card of military force much longer: All states that have arisen from the disintegration of the former Yugoslavia will be relatively small, perhaps even too sovereign, and within them pure power-holding structures will be created that will not be very subject to democratic change, and I am afraid that we will all somehow remain small, alongside a large unified Europe.

[Hedl] Let us go back to the "assessment of the military factor," which you mentioned.

[Perovic] As for the sea and the Navy, which at one time defended a coast almost 1,000 km long, what came into the Bay of Kotor amounts to nothing from the standpoint of military strategy. And now they also want to take away from us the most beautiful part of the Montenegrin coast, Valdanos Bay near Ulcinj, an area protected as a zone for elite tourism, with more than 80,000 olive trees. We have put a question in parliament in this connection: Should Montenegro really defend itself against someone with ships, or is the Montenegrin coast ideal from the standpoint of military strategy for setting up coastal emplacements, like Malta, for example? But perhaps the top military leadership is making an assessment and silently accepting the thesis that Montenegro is already moving toward sovereignty, and it is preparing for that navy to turn its guns one day toward its own mainland?

A Government Obsessed With Force

[Hedl] You are resolved, then, in your view, that Montenegro has no prospects whatsoever in the FRY?

[Perovic] We have no chance in that Yugoslavia, with Serbia. That Yugoslavia will have immense problems, because all of this is going to last a long time into the future. After Bosnia, it will be the turn of Kosovo, after Kosovo, Sandzak, and then Vojvodina. The FRY is a state that wants to constitute itself on the ethnic principle, but it is unwilling to realize that more than 32 percent of its population is non-Serbian. The group in power is founding its policy on an authoritarian and anachronistic political mindset that everything can be resolved by force.

[Hedl] Are Montenegrins so concerned with their identity that they see their future only in their own state?

[Perovic] In Montenegro, there is both the will and the energy for that state to emerge from Yugoslavia. We are convinced that the project of a sovereign Montenegro has progressed so much as to become a powerful, broad river, of which Belgrade must be exceedingly mindful.

[Hedl] What are the fundamental objections to the federal state's attitudes toward Montenegro?

[Perovic] An elementary examination of the matter leads to the conclusion that something that constitutes 95 percent can neither be equal nor have equal rights with 5 percent. From that standpoint, Belgrade has, in a sense, been behaving quite naturally toward Montenegro, because the balance of power is outside any reasonable constellation in which those Montenegrin 5 percent could be equal in any governmental sense. Second, Montenegro's Mediterranean position is different from Serbia's position. We have now changed our land use plan, which tried to turn Montenegro into a continental state. Then there is the old story about Serbia supporting Montenegro. That is a big lie, and an entire structure of political thinking in Belgrade has been built on that taboo topic. Montenegro has always supported itself in one way or another, and our economic experts say that even under these conditions Montenegro could become a decent place to live in the Mediterranean in 10 years or so, which is a relatively short time and with relatively

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

little pain, because the area is small and the population is small, and the educational composition of the population is relatively high.

The War as a Blemish on Montenegro

[Hedl] But that will not work unless there is an improvement of relations with the neighbors.

[Perovic] We would like to see a Mediterranean integration, because Montenegro is oriented toward the Mediterranean, and therefore we would like to have excellent relations with all our neighbors.

[Hedl] Could you be a bit more concrete concerning relations with Croatia?

[Perovic] As for Croatia and the Montenegrin attack on Dubrovnik, it had a hidden message: to set up borders of hatred for the first time between the Montenegrin and Croatian peoples, between two peoples who never waged war, especially between the segments of that population living in Konavli and Dubrovnik. You recall that Dubrovnik and Herceg Novi were almost a single city, that this was one tourist region in which there were an immense number of friendships, relationships, and intermarriages. But when the war started, we saw that Prevlaka was only a cover so that the ordinary Montenegrin citizen would accept the war campaign. But I personally know dozens and dozens, indeed hundreds of people who did not want to accept the gun and go off to that war.

[Hedl] And what about Prevlaka?

[Perovic] As far as Prevlaka is concerned, it is clear that this was a deception. From the standpoint of military strategy, after all, Prevlaka might have been interesting if we were living, say, in 1850. But today, when there are missile systems, those 2.5 square kilometers do not mean anything to anyone. We have advocated from the very outset that this be a demilitarized zone, that Kotor Bay and the entire Montenegrin coast be demilitarized, and finally, that Croatia and Montenegro by their joint efforts remodel the Austrian fortifications on Prevlaka. And this war is the most shameful blot that has fallen on Montenegro in recent history.

[Hedl] Have you found understanding in the Serbian opposition for your political options?

[Perovic] The general thinking is that there is no Serbian opposition in any democratic sense. We maintain excellent relations with Vesna Pesic's Citizen Alliance, with Nenad Canko, and Dragan Veselinov. These are people with whom we have excellent political communication and understanding. We also maintain relations with Vuk Draskovic, but not so frequently or on as high a level as with them.

Settling of Accounts in the Serbian Court

[Hedl] What brings you close to Vuk Draskovic?

[Perovic] We feel that Draskovic has evolved and progressed. His SPO [Serbian Renewal Movement] made a disastrous mistake when they agreed to compete with Milosevic over who was the greatest Serb. But the basic issue of Serbia is not the ethnic question, but the question of democracy. But they were not ready to play that game.

[Hedl] In view of the political state of mind of most of the Serbian opposition, especially the part led by Seselj, Kostunica, and Djindjic, and in view of Milosevic's position, now that he is no longer the "first Serbian nationalist," do you think that a linkup of that group with Karadzic might result in serious political upheavals in Serbia, indeed even a civil war, as people in some quarters are calculating?

[Perovic] I would not be able to say that a civil war in Serbia is possible, because the energy does not exist for anything like that. When I say war, I am thinking of a conflict between Serbs and Serbs. But in any case there could be horrible and serious settlement of accounts as used to happen at court, with a great many dirty moves and all the trappings that go with settling accounts that way. But I feel that Milosevic is still sufficiently strong and absolutely certain that he will use everything that happens as a factor of consolidation. He cannot come out of this weaker, but still stronger.

[Box, p 25]

Horror Festival

[Hedl] In view of the liberation of Knin and the part of Croatia known as "Krajina," do you feel that the war could be ended sooner or that it could flare up on the territory of the former Yugoslavia?

[Perovic] Milosevic will answer that question and make the decision. If he or the company known as the Federal Republic of Yugoslavia goes to war, that will be a horror, a festival in which there will be plenty to see. But our assessments indicate that no one could come out of that war victorious. He would suffer a military defeat, and we hope that he understands that. The internal situation, militarily and politically, will compel him to think that over, because regardless of all else, you cannot deny that he has a cruel pragmatic approach to things.

[Hedl] I see you are wearing a T-shirt that says "State of Montenegro." You expect to see Montenegro become a state?

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[Perovic] I hope that it will. The people support us, and I am therefore an optimist, and I firmly believe that this people will have an occasion to make a decision about itself.

[Box, p 26]

Disastrous Division

[Hedl] Your party favors preservation of an intact Bosnia. In view of recent events, do you think that preservation of a multiethnic and multicultural Bosnia is at all possible?

[Perovic] I must admit that the prospects of that are poorer and poorer every day. The specific events taking place in the field are revealing a monstrous plan behind which there stands a tripartite division of Bosnia. But those who want to divide Bosnia-Herzegovina cannot understand that that division will be disastrous for this entire region. In that kind of divided Bosnia, someone will always be dissatisfied, and someone will always manipulate those people from the two centers, either Zagreb or Belgrade. Once the euphoria of war passes, tripartite Bosnia will be a defeat of everything that ever existed in a noble sense in this region. In that combination, that entire section, just like Montenegro, will be completely written off by the democratic world.

Kosovo

Liberal Party of Kosova Chairman Visits Albania

95P21096A Tirana RILINDJA DEMOKRATIKE in Albanian 30 Aug 95 p 2

[Interview with Gjergj Dedaj, chairman of the Liberal Party of Kosova, by Zef Lleshi; place and date not given: "The Question of Kosova—A Priority Issue for All Albanians"]

[FBIS Translated Excerpt] [Lleshi] Mr. Dedaj, can you tell us something about the Liberal Party of Kosova [PLK]?

[Dedaj] The PLK is one of the political parties in the Republic of Kosova which was formed for the purpose of completing the pluralistic political scene in Kosova with the thought that, if we create additional political parties, it will be easier for us to find the proper solution to the unresolved problem of one-half of the Albanian people outside the mother state of Albania who, through no desire of their own, live in territories occupied by the former Yugoslavia. [passage omitted] For the PLK, the question of Kosova is, first of all, a question of the Albanians, and all Albanians, as well as the European Union and the United States, should be involved in finding a just solution to this problem.

The PLK has worked closely with all parties, such as the fellow liberal parties in Europe, and has succeeded in making them understand the issue of the Albanians in Kosova and in taking a stand against the violence exercised by the Serb occupiers in Kosova. The European liberals approved two resolutions on a just solution of the most important problem in the Balkans, that is, the matter of Kosova. The frequent visits of PLK delegations to Europe and the United States have made this party one of the important political parties engaged in the internationalization of the peaceful policy which, for known reasons, the President of the Republic of Kosova, Ibrahim Rugova, is carrying out. This policy has the absolute support of the PLK, and all Albanian institutions also have the PLK's support.

The PLK, as a modern party with no prejudices, is in favor of cooperation with all Albanian parties, subjects, and institutions in the Balkans which have a clear vision of the future of the Albanian people on a road which has no turning back to communism and socialism. We think that neocommunist tendencies are remnants of the past and are doomed to failure. [passage omitted]

[Lleshi] Mr. Dedaj, what is the purpose of your visit to Albania?

[Dedaj] First of all, we miss our country very much. Unfortunately, the Serb regime has employed all means to impede our free movement everywhere in the world. But, nevertheless, Albanians in Kosova are finding ways to visit Albania without thinking about what awaits them after they return to Kosova. Therefore, an LDK delegation, composed of General Secretary Sokol Blakaj, and Hysen Hyseni and Hasim Dermaku, members of the leadership, visited Albania for several days to make contacts for fraternal and political cooperation with some parties and institutions not listed on the schedule for our visit. After the visit to the office of the Republic of Kosova in Tirana to meet with Ilijaz Ramajli, its director, we were received at the headquarters of the Albanian Democratic Party [PDSh] by Tritan Shehu, the general secretary. This party has borne the heaviest burden for the victory of democracy in Albania. We were also received at the headquarters of the Albanian Republican Party by party chairman Sabri Godo; at the headquarters of the Christian-Democratic Party of Albania by Zef Bushati, director in the Ministry of Culture; by Teodor Laco, chairman of the Social-Democratic Union of Albania; and at the headquarters of the Ministry of Foreign Affairs, by Esat Myftari, director for the diaspora. [passage omitted]

It was a special privilege and an honor for the PLK delegation to have a meeting in Shkoder with Albanian Cardinal Mikel Koliqi. With all our conversants we had

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

fraternal discussions of our common problems and the difficult situation in Kosova that could worsen with the arrival of the Serb colonists for the purpose of colonizing and changing the ethnic structure of Kosova. [passage omitted]

[Lleshi] The newspaper KOHA JONE and the deputy chairman of the Socialist Party Namik Dokle criticized you for the statements you made during your visit to Albania.

[Dedaj] I know why KOHA JOHE and Mr. Dokle get upset if I make a firm statement that any victory of the socialists in Albania would be a happy event for the Serbs and Serbia, since this is very true, and I have to repeat it at all meetings. In regard to their vocabulary, I do not want to give any explanations because they were all communists who are known in the world for their insults, staged trials, and crimes against humanity and destruction. [passage omitted]

Committee Views Human Rights Violations

AU0510100995 Pristina KOSOVA DAILY REPORT in English 3 Oct 95

[FBIS Transcribed Text] Kosova Helsinki Committee has recently filed a report on the human rights situation covering the period 1994-1995. A 27-paged report is a comprehensive account of the human rights abuses and violations in Kosova perpetrated by the Serbian-installed authorities. The report focuses on diverse forms of abuses and discrimination against Albanians in all spheres of life. A chapter on the casualties of the Serbian state repression brings a list of the those killed and tortured to death. Over the year 1994, 17 Albanians have been killed, six of them being tortured to death in the Serbian police custody, whereas in 1995 (until September 24), the Serbian police and military forces have killed/tortured to death 11 individuals of Albanian ethnic background, the report said.

The report, in 17 chapters, denounces specific forms of repression and violation of basic human rights, such as arbitrary arrests, forged political trials, Serbian drive for the colonization of Kosova at the detriment of the Albanian population, discrimination of Albanians, and restrictions in the domain of health care, education, employment, etc. The report is a touching, but yet, a comprehensive and an impartial coverage of the very grave human rights situation in Kosova.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAG
PAID
PERMIT NO. S
MERRIFIELD, V

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

— Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.

— Headlines and all bracketed explanatory notes are supplied by FBIS.

— Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.